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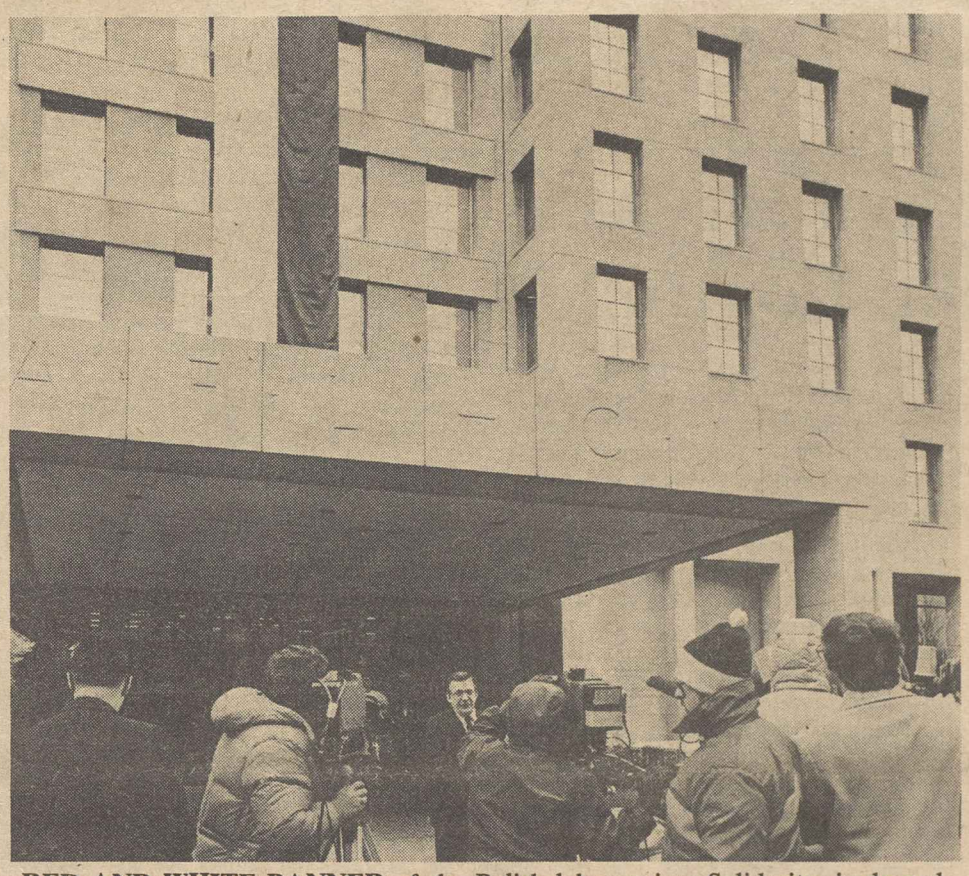
Stiff Sanctions Pressed Over Polish Crackdown



RED AND WHITE BANNER of the Polish labor union, Solidarity, is draped from the AFL-CIO headquarters building as Federation President Lane Kirkland pledges the American labor movement's solid support for the Polish workers.

Soviet Role Condemned By Kirkland

By James M. Shevis

The AFL-CIO welcomed President Reagan's decision to apply economic sanctions against the Soviet Union for its role in the suppression of freedom in Poland as a "step in the right direction," and called for their full support by the Western alliance of nations.

While they do not go as far as those recommended earlier by the federation, the Administration's measures serve to document the overwhelming sympathy of the American people for the Polish workers and their independent labor unions, and place the blame for last month's martial law crackdown in Poland squarely on the Kremlin.

"THE PEOPLE of Poland are waging a brave struggle of passive resistance," Federation President Lane Kirkland observed. "They must know that they have our support. We look forward to the announcement of additional sanctions."

In setting forth a seven-step program of curtailed trade and scientific exchange with the USSR, Reagan charged that the Soviet Union "bears a heavy and direct responsibility for the repression in Poland." He called upon the Soviets to recognize "the clear desire" of the Polish people "for a process of national reconciliation, renewal, and reform."

Symbolized by the Solidarity trade union federation created 16 months ago following a wave of strikes across Poland, the Polish reform drive fell victim to a military putsch that all but stamped out the free labor movement.

IN COORDINATED raids in major cities Dec. 13, Polish police and security forces closed union offices, detained Solidarity leaders, including Chairman Lech

(Continued on Page 3)

New Offers Quicken Pace Of Oil Talks

Denver—The Oil, Chemical & Atomic Workers responded to a last-minute, revised offer from the Gulf Oil Corp. with a counter-proposal as the union's current agreements with the nation's oil and petrochemical industries expired.

The new Gulf offer of an 8 percent wage increase in the first year of a two-year pact, followed by a 6 percent hike in the second year, plus additional hospital insurance improvements, came after the union rejected a proposal for increases of 7 and 5 percent.

OCAW REPORTED that its National Oil Bargaining Policy Committee then submitted a counterproposal seeking a 13.5-percent wage boost in each year of a two-year contract. The union said it had also modified its request for no layoffs or plant closures during the term of the agreement.

Meanwhile, at the request of federal mediators, both sides agreed to extend current contracts past their scheduled expiration at midnight Jan. 7, and to give 48 hours' notice before taking any action to break off the talks.

Along with the initial Gulf offer, the union had turned down similar contract terms proposed by Texaco, Shell, and Amoco as "ridiculous." Under contracts negotiated two years ago, oil workers received pay increases of about 10 percent in the first year and 10.5 percent in the second.

"IT'S INSULTING that U.S. oil companies would offer pay increases totaling only 12 percent for two years, while at the same time their Canadian subsidiaries have agreed to increase wages for their employees by 13.5 percent for the year 1982," OCAW President Robert F. Goss said at the time. He called on the industry to begin "bargaining realistically, and address the issues the tunion has placed on the bargaining table."

The union's current round of talks with the oil companies involves approximately 55,000 workers covered by about 400 contracts and employed by nearly 100 companies, including all the major oil firms and a large number of independents. The workers are engaged in oil refining, marketing of petroleum products on pipelines, and at petrochemical plants, with a limited number involved in the production of crude oil. The talks represent the first major round of negotiations in 1982.

GOSS POINTED out that wages are not responsible for today's high price of gasoline, home heating oil, and other petroleum products.

"Even though gasoline is selling for around $1.40 per gallon, the refinery wage cost is only 1.3 cents," he observed. The wage cost is not much more than when gasoline was selling for 80 cents a gallon, he noted. Even a substantial wage increase won by the union should not affect the price at the retail level, he added.

Labor Endorses Appeal Of ERA Court Setback

By Susan Dunlop

The AFL-CIO and the Coalition of Labor Union Women have put their full support behind efforts to win a speedy reversal of the Idaho federal court decision threatening to derail ratification of the Equal Rights Amendment.

Larry Gold, special counsel for the federation, said the AFL-CIO strongly endorses the National Organization for Women's appeal of the decision to the higher courts. NOW is seeking an expedited ruling on the Idaho decision, which would nullify the proposed amendment by declaring the ratification period ended.

CLUW PRESIDENT Joyce Miller said that organization will back the appeal "all the way" and will submit supporting briefs to the courts.

Miller, an AFL-CIO vice president and a vice president of the Clothing & Textile Workers, said ratification of ERA is important to trade unionists as both an economic issue and a human rights issue.

"We know one of the toughest problems women workers face today is the kind of discrimination that confines them to 'job ghettos' and to earning only 59 cents on every dollar earned by men. Ending this discrimination is the root of ERA," she said.

At issue is a ruling by Chief Judge Marion J. Callister of the U.S. District Court for Idaho in a case brought by the states of Idaho and Arizona that Congress did not have the power under Article V of the Constitution to extend its original deadline for ratification of proposed amendments by state legislatures.

CALLISTER ALSO held that rescission, or reversal, of a state's approval of a proposed amendment was permissible any time before the amendment is made valid by the necessary three-fourths majority of the states.

(Continued on Page 8)

Union Publications Jolted By Sharp Postage Boost

Union journals and other non-profit publications face a staggering increase in costs Jan. 10 when a Postal Service decision forced by the Reagan Administration's demands for stiff budget cuts will nearly double their postage rates.

At a special meeting, the USPS Board of Governors voted to bring nearly all "preferred" rates immediately up to levels that would not otherwise have taken effect until 1987.

RATES WOULD have been increased in a series of steps over that period under a phased rate schedule set up under the Postal Reorganization Act as a way of easing the impact of rate hikes on non-profit organizations.

The Board of Governors said it was forced to act "as a result of congressional cuts in Postal Service appropriations."

In the continuing budget resolution approved Dec. 15 and signed by the President, Congress cut the Postal Service appropriations from $800 million to $614 million, including funds that would have reimbursed USPS for the "revenue foregone" by the agency for handling non-profit mailings at rates below its actual costs.

THE NEW RATES substantially increase those announced by the Board of Governors as recently as Nov. 1, 1981. The only exceptions allowed for by Congress in appropriating funds were for fourth-class library rates and second-class in-county rates. These rates were increased to levels originally due in 1984.

The International Labor Press Association of the AFL-CIO, which had been fighting to maintain the phased-rate schedule, is urging labor publications to step up efforts to use the pre-sortation discounts now available to non-profit mailers as a

(Continued on Page 3)

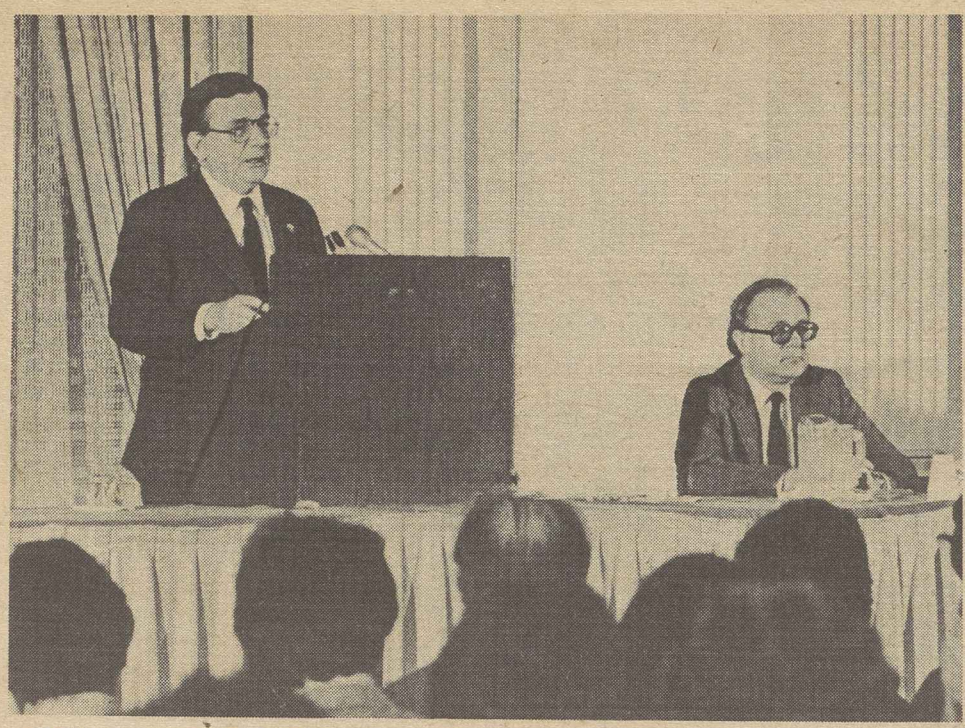
Economic Index Continues Slide For 4th Month

The government's barometer of future economic activity fell for the fourth consecutive month in November, but the decline — three-tenths of 1 percent — was much smaller than the previous two months.

The composite index of leading economic indicators had fallen 2.1 percent in September and 1.6 percent in October. The Commerce Dept., which released the report, said four of the 10 indicators available for November increased.

BUT COMMERCE Sec. Malcolm Baldrige stressed that the index showed continued weakness in industry, suggesting further declines in production and increases in unemployment. The nation's jobless

(Continued on Page 8)



CHALLENGES FACING the American labor movement at home and abroad are also opportunities for spreading free trade unionism and its benefits, AFL-CIO President Lane Kirkland told a meeting of the Industrial Relations Research Association in Washington. Seated is AFL-CIO Research Director Rudy Oswald, the out-going president of the IRRA.

Kirkland Cites Challenge

Problems Facing Labor Viewed as Opportunities

The problems of inevitable change present the American labor movement with opportunities as well as challenges at home and abroad, AFL-CIO President Lane Kirkland declared in a speech to the industrial Relations Research Association.

"On the domestic scene, our fundamental challenge comes from the profund economic and technological changes that are reshaping our society," Kirkland said at the IRRA's annual meeting in Washington. "These changes generate pressures not only on the labor movement but on all of our major institutions—the family, the university, religion, the press, the community and government at every level."

IF THE DECLINE in manufacturing jobs has contributed to the decline of union membership as a percentage of the work force, it is not only the labor movement that has a problem, Kirkland observed. All of society needs to be alerted to the dangers inherent in the erosion of the nation's industrial base.

"If the population shift to the Southeast and Southwest poses problems for us, it also poses problems for the Northeast and the Great Lakes region, where central cities are rotting, unemployment mounting, communities decaying and social problems proliferating," he said.

But these challenges also offer opportunities, Kirkland noted. The increased participation of women and minorities in the workforce is an opportunity for the labor movement to reach out to these workers and to address their special concerns, thigns which the AFL-CIO is doing, he observed.

"THE SHIFT in population offers an opportunity for us to join in coalitions with groups in the Northeast which are adversely affected, and at the same time to accelerate our organizing efforts in the Southeast and Southwest," Kirkland said. "We are doing just that in Houston where some 40 international unions are now cooperating in a coordinated organizing drive."

On the international scene, one of the main challenges facing labor in the Eighties is a shrinking and increasingly interdependent world in which there are no longer any internal affairs, and which will require more active and skillful trade union involvement in international affairs, Kirkland said. The AFL-CIO's re-entry into the International Confederation of Free Trade Unions is recognition of this fact of present and future life, he said.

SO IS THE federation's renewed participation in the International Labor Organization and the Trade Union Advisory Committee to the Organization for Economic Cooperation & Development, the participation of AFL-CIO unions in various international trade secretariats, bilateral relations with other national labor centers around the world, and the maintenance of an active trade union foreign service through the federation's three institutes for Asia, Africa, and Latin America, he said.

Surveying recent trends in the American labor movement, Kirkland noted that in the two decades leading up to 1978 union membership in the public sector tripled, a development which he said will probably continue in the Eighties. Since 1978, there has been a notable increase in the number of mergers among AFL-CIO unions, which has improved their efficiency and organizing ability.

HE ALSO CITED the federation's efforts toward a major modernization of the labor movement's technical capacities for internal and external communication that will enable it to mobilize its forces more effectively around legislative issues and in political campaigns.

"We cannot control or direct all of the social and economic trends, at home and abroad, that bear on labor's prospects in the Eighties," Kirkland observed.

"What we can do is what each generation of trade unionists has always had to do—to face up to the problems of change, to be vigilant for the new opportunities they present, to be diligent in representing the interests of the members, and to reach out to all who share our commitment to democratic values and to social and economic justice."

New PATCO Chief Stresses 'Logic' in Rehiring Controllers

Gary Eads, the new president of the Air Traffic Controllers, said "orderly reinstatement" of thousands of PATCO members may yet be possible.

"I believe that someone in the not too distant future is going to try to be logical about this, and bring it to an end and have the orderly reinstatement of the dismissed controllers," Eads said in an ABC-TV interview. Some 11,500 controllers were discharged by the Reagan Administration following the union's Aug. 3 strike against the Federal Aviation Administration.

EADS, 37, was elected by PATCO's executive board New Year's Day to succeed Robert Poli as president of the union. A regional vice president for PATCO in Kansas City, Eads was jailed in the early days of the strike because of his refusal to order members back to work.

Poli, a 44-year-old Pittsburgh native, announced his resignation Dec. 31, saying he believed his action would "remove a stumbling block" and prompt President Reagan "to restore all the fired controllers to their positions."

The union was decertified in October by the Federal Labor Relations Authority. A month later, it filed for protection under federal bankruptcy law.

MEANWHILE, Gerald W. McEntee, the new president of the State, County & Municipal Employees, joined with the heads of other unions and several consumer advocacy organizations in litigation attacking the Administration's refusal to rehire the fired controllers.

"The current blacklisting of air traffic controllers serves no useful purpose," said McEntee, elected last month to succeed the late Jerry Wurf as head of AFSCME.

"President Reagan's statement earlier that fired controllers could return to work in the federal sector, but not in the jobs for which they are best qualified, underscores the obvious bias and capriciousness of the government's position," McEntee said.

In a related development, the U.S. District Court for Colorado ruled that criminal indictments against PATCO leaders in Denver must be dismissed because the government had selected them for prosecution not only before the strike began but during a period when it was supposed to be conducting good-faith bargaining.

EVIDENCE showed that the Justice Dept. developed—before the Aug. 3 strike began—a list of persons who would be prosecuted if the controllers' walkout occurred. The list was based, in part, upon information supplied by the Federal Aviation Administration. Selection of "prosecutive targets" had been under consideration as early as February 1981, the evidence showed.

"The selection of targets under these circumstances, culminating in an ultimate hit list containing many top-level union representatives, is instinct with invidious motivations," District Judge John L. Kane, Jr., said.

Democrats Name Watts, Joyce to Head Labor Panel

Glenn E. Watts, president of the Communications Workers, and John T. Joyce, president of the Bricklayers, have been named co-chairmen of the Democratic National Committee's newly formed Labor Council.

At its first meeting, the council was briefed on the party's activities and strategies for the 1982 election campaigns. It also explored proposed programs dealing with various national, state and local issues.

Participants adopted a statement assailing the Reagan Administration for causing added hardships to American workers through its economic policies.

"The supply-side tax giveaway, which was to bring us trickle-down prosperity, has instead touched off a wave of corporate merger, monopoly and acquisition," the statement charged. "While industrial, service and construction jobs decline, unemployment rises, and whole sections of our country are condemned to obsolescence and poverty."

DNC labor council members attending the session included union presidents Charles H. Pillard of the International Brotherhood of Electrical Workers; Richard I. Kilroy, Railway & Airline Clerks; J. C. Turner, Operating Engineers; Frank Drozak, Seafarers; John DeConcini, Bakery, Confectionery & Tobacco Workers; John H. Lyons, Iron Workers; John Rowland, Amalgamated Transit Union; John J. Sweeney, Service Employees; Gerald McEntee, State, County & Municipal Employees; William W. Winpisinger, Machinists, and Kenneth T. Blaylock, Government Employees.

Seeger Succeeds Miller As Director of Information

AFL-CIO President Lane Kirkland has announced the appointment of Murray Seeger as director of the federation's Dept. of Information, succeeding Saul Miller who is retiring Jan. 15.

Seeger, 52, is a writer and reporter specializing in economic and labor affairs on both the national and international scenes. Since 1972, he has worked in Europe for the Los Angeles Times as bureau chief in Brussels, Bonn and Moscow.

AS AN INTERNATIONAL economics writer, Seeger covered activities of the International Labor Organization in Europe and the August 1980 events surrounding the emergence of Poland's independent trade union movement, Solidarity.

After receiving his BA degree from the University of Iowa in 1951, Seeger began newspaper work with the Buffalo Evening News, where he first became a member of the Newspaper Guild. He subsequently worked for the Cleveland Plain Dealer, the Westinghouse Broadcasting Co., the New York Times and Newsweek magazine.

He joined the staff of the L.A. Times in 1967 as Washington economic correspondent, covering national economic issues, federal agencies and the AFL-CIO.

He was a Nieman Fellow at Harvard in 1961-62 and has won several awards for distinguished reporting on economics.

BESIDES THE Newspaper Guild, Seeger belonged to the Steelworkers when he worked summers for Bethlehem Steel while attending college, and the Television & Radio Artists when he worked for Westinghouse Broadcasting.

Miller, 63, is retiring after nearly three decades of service to the federation. He has been director of the Dept. of Information since January 1980, when it was created by merger of the Departments of Publications and Public Relations. Before that he had been publications director, editor of the AFL-CIO News and executive editor of the American Federationist since 1958.

A native of New York City, Miller graduated from New York University and was a reporter and editor on a number of daily newspapers, including the York, Pa., Gazette and Daily, the Richmond, Va., Times Dispatch and the Jamestown, N.Y., Sun.

HE JOINED the staff of the AFL News Reporter in January 1955 and was named managing editor of the AFL-CIO News upon merger of the two federations.

Miller is a long-time member of the Newspaper Guild and has served on the executive council of the International Labor Press Association since 1958.

Retired Staff Member Clinton Fair Dies at 72

St. Ignace, Mich.—Clinton M. Fair, a former legislative representative for the AFL-CIO, died here Jan. 6 following a brief hospitalization. He was 72.

Fair, who retired in 1974, underwent surgery for brain tumors two years ago. He joined the AFL-CIO in 1957 as an assistant director of the Dept. of Social Security.

He became a member of the Dept. of Legislation's staff three years later, specializing in the areas of workers' compensation, social security, education, and health.

Fair began his working career as a high school history teacher here, and was a lifelong member of the American Federation of Teachers. He also belonged to the Newspaper Guild. From 1949-51, he was legislative secretary to former Michigan Gov. G. Mennen Williams.

Survivors include a sister-in-law, Mildred Fair, of St. Ignace, a niece and a nephew. Following cremation, a memorial service was held in St. Ignace.

Union Papers Hit by Sharp Postage Boost

(Continued from Page 1)

way of offsetting the impact of the increases.

The discounts, won for the non-profit press largely through ILPA's participation in cases before the Postal Rate Commission, permit mailers to pay lower rates in return for sorting and bundling mail to several zip code levels and, in some cases, to USPS carrier route levels.

THE ILPA pointed out that while the failure of Congress to resist the budget-cutting demands left the Board of Governors little choice, there is a slim chance that Congress may still restore at least part of the phasing when it acts on the final budget bills. Both the Senate and House versions of those bills contain funding for the revenue foregone appropriations.

Heaviest impact will be felt in the second-class outside county per piece rates which will go from the current 3.5 cents to 7.1 cents. Rates for mailers that presort to three and five zip code digits will go from 1.9 cents to 5.5 cents, and mail sorted to carrier route will go from 0.9 cents per piece to 4.5 cents.

Third class non-profit bulk rates will jump from 3.8 cents to 5.9 cents at the required sorting level, from 2.9 cents to 5.0 cents at the three and five digit sorting level, and from 1.9 cents to 4.0 cents for those mailers able to take advantage of carrier route sorting.

Al Heaps Recovering From Blast Injuries

New York—President Alvin E. Heaps of the Retail, Wholesale & Dept. Store Union is recovering from injuries he suffered in an explosion in his office on Dec. 30.

The blast occurred when Heaps was opening a package in Christmas wrappings that had been delivered by a messenger. Police described the explosive as a pipe bomb.

Heaps sustained lacerations and bruises to the face and body. However, there will be no permanent disfigurement. Also injured in the blast was Pat Evans, managing editor of the union's newspaper, the RWDSU Record. She was treated for a bruised shoulder.

Heaps has been president of the RWDSU since 1976 after serving 18 years as secretary-treasurer. He has been on the AFL-CIO Executive Council since 1977.

RWDSU Sec.-Treas. Lenore Miller said no motive for the attack could be established. "He is a person with no enemies in the 24 years I have known him," she said.

TWENTY-FOUR-FOOT BANNER proclaims American support for Polish workers and their unions. The banner was hung outside the headquarters building of the Electrical, Radio & Machine Workers, directly across the street from the Soviet embassy in Washington. Soviet pressure on Warsaw is seen at the root of the crackdown on Solidarnosc.

Stiff Sanctions Pressed to Counter Soviet Role in Polish Crackdown

(Continued from Page 1)

Walesa, and imposed martial law on the Polish people. The chief of the Polish government, Gen. Wojciech Jaruzelski, has since eased certain restrictions, but all trade union activity and the right to hold public gatherings other than religious services remain suspended.

At a Dec. 23 hearing of the joint congressional Commission on Security & Cooperation in Europe (CSCE), the panel charged with monitoring international compliance with the 1975 Helsinki Final Act, the AFL-CIO's Tom Kahn spelled out the federation's views on the recent events in Poland and urged the U.S. government to impose a series of strong economic and political sanctions against the Polish military regime and its Soviet backers.

KAHN, AN assistant to Kirkland with responsibility for the AFL-CIO Polish Workers' Aid Fund, proposed calling in the balance of the Polish debt to the United States, refusing to extend further credit to the Soviet Union or Eastern Europe, reinstituting the grain embargo against the USSR, stopping participation by U.S. firms in construction of the gas pipeline across Siberia, severely restricting Soviet access to U.S. technology, beefing up U.S. radio broadcasts into Poland, publicizing the junta's acts of repression, and denying Soviet vessels easy access to U.S. ports.

"These actions should be coordinated insofar as possible with our European allies," Kahn said. "In this spirit, the AFL-CIO has been cooperating closely with the International Confederation of Free Trade Unions. . . .

"WE MUST make it clear to our European allies that we expect them to share the burden. We should be prepared, if necessary, to place restrictions on trade with any of our allies who enter commercial relations with the Soviets that would mitigate the impact of our actions."

Kahn stressed that the U.S. objective should be the release of Walesa and all others detained by the military regime, an end to martial law, and the resumption of negotiations between Solidarity and the government.

A member of the CSCE, Rep. Don Ritter (R-Pa.), called Kahn's proposed sanctions "the best package of ideas" he had yet seen as an appropriate American response to the communist crackdown on Solidarity.

OTHERS TESTIFYING at the CSCE hearing included Zdzislaw Rurarz, the former Polish ambassador to Japan, who defected to the United States to protest the martial law imposed in his homeland, and Ambassador Max M. Kampelman, chief U.S. delegate to the conference in Madrid charged with reviewing the progress of the Helsinki Final Act accords.

Kampelman called the Polish crackdown a "blatant violation" of the Final Act's human rights provisions, and warned that it could mean the death knell for the agreement.

Several of the sanctions proposed by the AFL-CIO were among those announced by the Administration, including restricted access to American ports by Soviet ships, suspension of export licenses for technology transfers, and a ban on new licenses for equipment for the Siberian gas line.

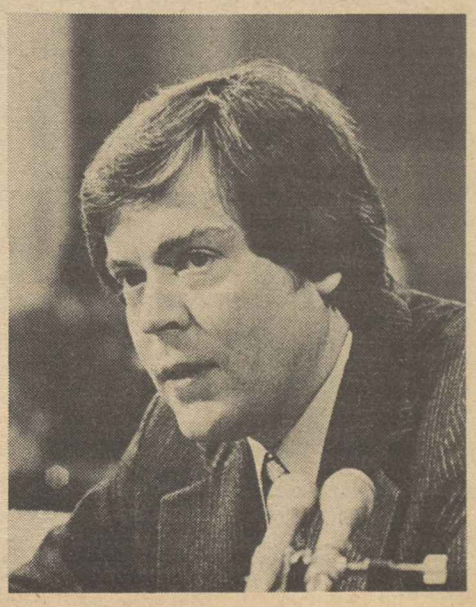
IN ADDITION, Reagan postponed talks on a new long-term grain agreement to replace an accord expiring next Sept. 30; suspended landing rights in the United States for the Soviet government airline, Aeroflot; closed the Soviet Purchasing Commission, a New York agency accounting for roughly one-third of the Soviet orders for American nonfarm products, and declared his intention not to renew exchange agreements in energy, science, and technology pending a review of all such accords, including cultural exchanges.

While immediate support for the U.S. sanctions was not forthcoming from other members of the North Atlantic alliance, the 10-nation European Economic Community (EEC) denounced the Soviet Union for its "pressure" on Poland, and said it would maintain "close and positive consultations" with the United States to avoid undermining the American sanctions already declared against the Soviet Union.

In assessing the developments within Poland at a special meeting of EEC foreign ministers in Brussels, the European allies said:

"THE INABILITY of the system in Eastern Europe to accept the modifications necessary to meet the legitimate aspirations of the people is such as to endanger public confidence in the possibility of cooperative links with the East, and thus seriously to affect international relations.

"In this context, the Ten note with concern and disapproval the serious external pressure and the campaign directed by the USSR and other Eastern European countries against the efforts for renewal in Poland."



TOM KAHN

Petitions Call on Poland to Restore Rights

The AFL-CIO has launched a nationwide petition campaign calling on the Jaruzelski regime in Poland to lift the martial law it imposed on Dec. 13, and to free members and officers of the Solidarity labor federation detained since the crackdown.

The petitions, which AFL-CIO unions are being asked to circulate among their members and others in the community, also call on the Polish government to resume good-faith negotiations with Solidarity based on the principles of the August 1980 Gdansk agreement between the labor federation and the government.

THE GDANSK accord gave Polish workers the right to form free trade unions, to strike, and other freedoms never before achieved in a communist country.

The petitions are to be forwarded to the Embassy of Poland, 2640-16th St., N.W., Washington, D.C. 20008, or to AFL-CIO national headquarters, which will pass them along to embassy officials.

The petition campaign is but the latest expression of support for the Polish workers and their unions demonstrated by the American labor movement. From the beginning of Solidarity, the AFL-CIO has been the independent trade union federation's strongest supporter in the West.

The Polish Workers' Aid Fund, started 16 months ago to help Solidarity survive, has raised over a quarter-million dollars for the purchase of needed equipment and supplies. Proceeds have come from plant-gate contributions and the sale of Solidarity T-shirts, bumper stickers, and buttons.

OVER THE holidays, the AFL-CIO displayed a huge, five-story red-and-white banner from the front of its headquarters building in Washington. The colors are those of the Polish labor federation.

Earlier, the Electrical, Radio & Machine Workers, whose offices in Washington directly face the Soviet embassy on 16th St., displayed a 24-foot banner bearing the Polish name of the trade union federation, Solidarnosc, on the outside of its headquarters building.

Tom Kahn, director of the Polish Workers' Aid Fund and an assistant to Federation President Lane Kirkland, said the AFL-CIO also is producing large Solidarity flags that will be flown from union headquarters around the country. The flags are expected to be available to affiliates later this month.

The federation also has joined national church leaders and officials of CARE and the National Farmers Union in urging President Reagan to release federally owned food stocks for distribution to the people of Poland by international food assistance movements and the Catholic Relief Service of Poland.

IN A JOINT statement urging that initial supplies be airlifted to neighboring neutral nations, the participating organizations pointed out that the Administration's economic sanctions against the Polish military regime "may tend to weigh more heavily upon the Polish people than upon the ruling government unless measures are taken at the same time to channel emergency food supplies to the general populace."

"The Polish nation, now a thousand years old, has survived many a period of crisis and oppression," the message said. "As it faces today's challenge, our nation, which has the food which can help maintain the health and vitality of the Polish people, must not let them down."

The Deserving Rich

THINK HARD. What do Chase Manhattan Bank which deals in money, Squibb which makes toothpaste and other things, and Monsanto which is big in chemicals, have in common?

Give up? None of them paid taxes on their 1980 U.S. domestic income. Well, you might say, maybe they didn't have any domestic earnings. As a matter of fact they did. Chase Manhattan earned $207 million, Squibb $78 million, Monsanto $204 million.

These findings stem from a study by Richard Kaplan, a law professor at the University of Illinois. The three mentioned above, and many other companies, were able to pay little or no tax through the use of legal escape hatches like the investment tax credit, which lets a company subtract from the taxes it owes part of the cost of most new equipment; or from the foreign tax credit, which lets firms subtract from their U.S. tax obligation income taxes that they pay abroad.

THE FIGURES above are for 1980, and do not include further substantial tax breaks for business in the Reagan tax program enacted last year.

The study shows:

- The average tax rate paid by the 20 largest commercial banks was *minus* 0.9 percent (negative liability can be used to get refunds for past or future years in which taxes are owed).
- The nine largest regulated utilities paid an average effective tax rate of 7.9 percent.
- While the average rate for the 30 top oil companies was 21.9 percent, Exxon—according to Kaplan's study—paid only 1.3 percent on domestic earnings of $2.5 billion, while Conoco paid only 9.7 percent and Mobil 12.1 percent.

Presumably, under the new tax giveaways to business conferred by the Reagan Administration, many of these percentages will shrink when 1981 taxes are paid. By contrast, following are 1981 actual taxes that will be paid by—and the effective rate for—a wage-earner with a family of four using standard deductions.

Actual Wage	Tax Liability	Effective Rate
$15,000	$1,233	8.2%
$20,000	$2,013	10.1%
$25,000	$2,901	11.6%

—Memo from COPE

Free Press for Whom?

SUPPLY-SIDE ECONOMICS has struck the labor press with a vengeance. The new postage rate increases for non-profit publications will nearly double the mailing costs of most union journals and force many of them into further retrenchments in distribution, content and frequency of publication.

While the rate increases were directed by the Postal Service Board of Governors, they are actually another product of the Reagan Administration's budget-cutting drive which denied further funds to permit continued phasing of the increases.

Preferred postage rates for non-profit groups—churches, charities, veterans' organizations, along with unions—were designed to encourage the free flow of information and the unhampered expression of divergent views throughout society.

Now, the Reagan Administration's actions seem to say, freedom of information is to be another preserve of the wealthy.

AFL-CIO News

Official Weekly Publication of the
American Federation of Labor and Congress of Industrial Organizations
LANE KIRKLAND, *President*
THOMAS R. DONAHUE, *Secretary-Treasurer*
Executive Council

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Frederick O'Neal, Martin J. Ward, Glenn E. Watts, Angelo Fosco, Lloyd McBride, Alvin E. Heaps, John J. O'Donnell, Robert F. Goss, John J. Sweeney, James E. Hatfield, Vincent R. Sombrotto

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International Labor Press AFL-CIO/CLC Association

'Enjoy!'

A Self-Inflicted Blow

Suppression of Polish Workers Shakes Communist Structure

By Gus Tyler

WHATEVER HAPPENS to Poland, the great victim of recent events in that country will be world communism.

In Poland, the Communists have invoked military might to suppress the Polish people. For the moment, the "party" is victorious. But neither the Communists nor any other government has ever been able to base its power on the sword alone. In the long run, the people must see their government, whatever its fleeting faults, as their friend and father, or the people will be ungovernable.

THIS IS particularly true of communism because its strength was drawn from the preachment, the faith, that the "party" was the embodiment of the will of the working classes: the proletariat and the peasantry. Where necessary, the Communists—mainly Russia—threw in their infantry to back up an ideology. But its basic strength—like the long lasting grip of Judaism, Christianity, or Islam—was in its body of beliefs.

In Poland, those beliefs have been so starkly betrayed that Communists throughout the world are shaken. The powerful Italian Communist Party issued a public protest; the Polish Ambassador to the United States defected. After all, here is the "dictatorship of the proletariat and peasantry" demonstrating brutally that it is nothing more than a "dictatorship over the proletariat and peasantry."

THIS IS NOT the first time that the Communists have betrayed their ideals. It started early, when Lenin suppressed the Anarchists, the Social Revolutionaries, and the Mensheviks—all of whom were revolutionary parties—but who committed the unforgiveable sin of wanting a separate life. But that was small stuff lost in the tumultuous days of the great revolution.

The Communists betrayed democracy when they made an alliance with the Nazis to divide up Europe. But that was forgiven or forgotten when Russia later became an American ally against Hitler.

The suppression of the Hungarian uprising was a betrayal of national integrity and the rights of a people to a bit of democracy. But, disillusioning as that event was to many Communists around the world, Hungary appeared to many to be the protest of intellectual malcontents.

THE INVASION of Afghanistan was an act of naked imperialism. But it affected a thinly populated land, composed of rural mountain communities that seemed to be mired in some past century. So, while some Communists in Europe protested, most thought the incident was not worth much wailing.

But Poland is a clear case. Solidarity is a working class movement: it is the proletariat. It has a farm contingent, a student legion, a professional corps. It is "the people."

It is rooted in Poland's proud tradition as a separate nation, raped repeatedly, but still insistent on its dignity.

It is backed by the Catholic Church in the most Catholic country in the world.

THE SUPPRESSION of Solidarity is not the silencing of a sect, a faction, a party. It is the attempted strangulation of the working class, the peasantry; it is the garroting of a nation; it is the desecration of a people's faith.

For the moment, what happened in Poland looks like the end of Solidarity; in the long run, it is the beginning of the end for world communism, the liberator turned dictator, the Messiah turned monster.

Punishing Conduct That Threatens Peace

We will be told that curtailing the transfer of technology or halting U.S. participation in the Siberian gas line will only hurt U.S. corporations, and that the Soviets will be able to acquire this help from other nations.

Even if these arguments had merit—and I do not concede that they do—the time may be at hand for the United States to demonstrate to the Soviets that we are prepared to hurt ourselves, if necessary, to punish them for conduct that threatens world peace and human rights.

—Tom Kahn, assistant to AFL-CIO President Lane Kirkland, at congressional hearing.

Challenges Bring Opportunities

Problems Facing Labor in '80s Confront All Sectors of Society

The following is excerpted from an address by AFL-CIO President Lane Kirkland to the Industrial Relations Research Association in Washington, Dec. 28, 1981.

LATE IN THE Carter years, after the Administration had wasted much precious time with academic nostrums such as tax-incentive pay-restraint schemes, jawboning and guidelines divined and enunciated by various emigres from Brookings Institution, the AFL-CIO negotiated with the President and his agents an understanding that was entitled a "National Accord."

That accord set forth the premises on the basis of which labor committed itself to participate fully in the common national effort to combat inflation, to distribute austerity and sacrifice equitably, and to resume the path of economic growth and revival, looking toward full employment. It proved that the American trade union movement, when reasonably approached and afforded the means and opportunity for full and effective participation, is prepared to share fully, in step with the rest of the national community, all the burdens of our times.

The Reagan Administration has taken all of the premises of that accord, turned them upside down and stood them on their heads. Nevertheless, they remain sound and valid and represent the only approach to our national economic and social problems that holds any real promise of long-term success. Labor remains ready, willing and able to work with any Administration that will accept those principles and that approach. We shall, however, submit willingly to nothing that contravenes them.

IT HAS BECOME fashionable to speak of labors' "declining clout" in politics, or of labor's inability to "deliver" the workers' vote. Here again, we are haunted by the '30s notion that there is a monolithic working class vote which can be delivered by a vanguard labor movement. Presumably, if we are doing our job right, Jimmy Carter would be in the White House today and the Congress would be in Democratic hands.

The fact is that even our very good political machinery could not compensate for the deep divisions in the Democratic liberal camp or for the political climate that brought Ronald Reagan to power.

This thread of reasoning—which exaggerates our power in order to deflate our egos—distorts the basic challenges confronting labor in this decade. It trivializes our problems—which are real and difficult—by reducing them to subjective or ideological issues, and downplays society's stake in them.

If the decline in manufacturing jobs has contributed to the decline of union memberships as a percentage of the workforce, it is not only the labor movement that has a problem. All of society needs to be alerted to the dangers inherent in the erosion of the nation's industrial base.

If the population shift to the Southeast and Southwest poses problems for us, it also poses problems for the Northeast and the Great Lakes region, where central cities are rotting, unemployment mounting, communities decaying and social problems proliferating.

THE CHALLENGES we face are also opportunities. The increased participation of women and minorities in the workforce is an opportunity for the labor movement to reach out to these workers and to address their special concerns. We are doing that.

The shift in population offers an opportunity for us to join in coalitions with groups in the Northeast which are adversely affected, and at the same time to accelerate our organizing efforts in the Southeast and Southwest. We are doing just that in Houston where some 40 international unions are now cooperating in a coordinated organizing drive.

In the two decades leading up to 1978, union membership in the public sector tripled, and I expect to see this trend continue in the '80s.

Since 1978 there has been a sharp increase in the number of mergers among our affiliates, improving their efficiency and organizing capability. I expect that this trend, too, will continue, with the encouragement of the AFL-CIO.

THE 1980s WILL see a major modernization of the labor movement's technical capacities for internal and external communication, enabling us to mobilize our forces more effectively around legislative issues and in political campaigns.

This year we will set up a labor institute for public affairs to provide our affiliates with expertise in telecommunication and other media skills, enabling us to mobilize our forces more effectively around public issues and in legislative, political and organizing campaigns.

We cannot control or direct all of the social and economic trends, at home and abroad, that bear on labor's prospects in the '80s.

What we can do is what each generation of trade unionists has always had to do—to face up to the problems of inevitable change, to be vigilant for the new opportunities they present, to be diligent in representing the interests of the members, and to reach out to all who share our commitment to democratic values and to social and economic justice.

That's what we'll do in the 1980s, and I am confident we'll do it well.

To Boost Profits

OSHA's Regulatory Retreat Undercuts Worker Protections

JOB HEALTH and safety have been subordinated to employer profits under the Reagan Administration, AFL-CIO Industrial Hygienist Margaret Seminario charged on Labor News Conference.

Seminario said Assistant Labor Sec. Thorne G. Auchter, who heads OSHA, has lost sight of the "fact that the worker is his client." She said that Auchter has shaped a series of attacks on "worker protections in the area of regulation and enforcement," and is trying to effectively end "the right of workers to participate fully" in the implementation of the law.

"Auchter's program for OSHA is the Chamber of Commerce's wish list," she asserted on the network radio broadcast.

Seminario said that the Administration is spending most of its time and resources "reviewing existing standards," instead of "dealing with the many thousands of toxic substances to which workers are exposed in the workplace and the many safety hazards that are still inadequately regulated." She cited the agency's heavy concentration on the review of the cotton dust standard, which was set in 1978 and has been upheld by both the U.S. Circuit Court of Appeals and the Supreme Court.

She said OSHA is looking for ways to wipe out or water down standards on lead and access to medical records. The agency also has undertaken a review of cancer policy—"all of which have been on the books protecting people," she stressed.

And although the labor movement has filed three petitions for emergency regulation of cancer-causing chemicals to which many thousands of workers are exposed, she said, "we've seen no action by this Administration on those petitions that has resulted or will result in any short-term action to protect one single worker."

Reporters questioning Seminario on the AFL-CIO produced public affairs program were Curtis Riddle of the Baltimore Sun and Robert Cohen of the Newark Star-Ledger. Labor News Conference is broadcast weekly by the Mutual radio network.

By Press Associates, Inc.

AGAINST THE BACKDROP of a deepening recession and rising unemployment, it is worth taking a closer look at the Reagan Administration's pending proposal to deal with the problem of millions of illegal aliens now in this country.

Undocumented workers are easily exploited by unscrupulous employers, their use undermines decent standards and they may take scarce jobs from U.S. citizens. An effective and humane policy is needed to prevent worker from being pitted against worker.

The Administration has proposed these steps:

- "Employer sanctions," which would impose civil fines ranging from $500 to $1,000 on employers of four or more workers for each undocumented worker "knowingly hired," and injunctions against employers who follow a "pattern or practice" of hiring undocumented workers.

- A one-time amnesty program to legalize the estimated three million to six million or more illegal aliens residing in the United States. The conditions of amnesty would include a 10-year period of residence, except for Cubans and Haitians, who would have a five-year waiting period. During this time, aliens could not bring in spouses or children under 18. While waiting for citizenship, aliens working and paying taxes would not be eligible for such programs as welfare or food stamps.

- An experimental guest worker program which would admit 50,000 Mexicans into the country each year for two years to work in areas certified by the Labor Dept. as short of American workers.

Organized labor has called employer sanctions a "step in the right direction," but argues the Administration's proposed sanctions are not stiff enough to deter employers from using undocumented workers. Labor also argues that employer sanctions are meaningless unless some type of counterfeit-proof identification is adopted for employers to check, such as counterfeit-proof social security cards based on laser technology now used for military and White House security identification.

It is also argued that illegal aliens would be discouraged from applying for amnesty due to the long waiting requirements and the denial of reunification of family contained in the Administration proposals. Those who do apply would make up a subclass of workers paying taxes but denied the rights of citizens.

AT A TIME when nine million American workers are unemployed, it is difficult to justify the importation of an additional 50,000 workers a year under a guest-worker program.

The guest-worker proposal is seen by many, including former Labor Sec. Ray Marshall, as a throwback to the "bracero program" of 1942-1964, in which Mexicans were admitted to work in agriculture.

Witnesses before Congress have testified on the real results of the "bracero program": workers treated as cattle, "herded from area to area" with little regard to their working or living conditions; encouragement of illegal immigration as relatives joined imported workers, and strained bilateral relations with Mexico due to the treatment of its citizens.

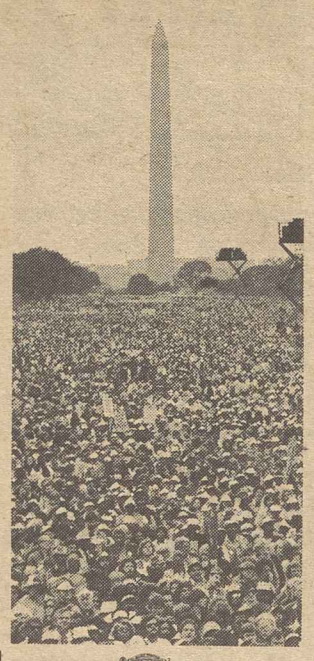
Any effort to get illegal immigration under control hinges on the ability of the Immigration & Naturalization Service to enforce immigration policy effectively.

THE AMERICAN Federation of Governmtnt Employees, which represents INS workers, has said INS administrative and enforcement personnel are grossly overworked and hampered by the lack of modern technology, such as computerization, in the processing and enforcement areas.

But instead of beefing up INS capability, the Administration requested cuts in the INS budget, which Congress granted.

It is clear that the Administration's proposals on immigration policy fall far short of an effective and compassionate solution.

WORKER HEALTH and safety have taken a back seat to employer profits under the Reagan Administration, AFL-CIO Industrial Hygienist Margaret Seminario charged on Labor News Conference. Questioning her were Robert Cohen, left, of the Newark Star-Ledger and Curtis Riddle of the Baltimore Sun. The AFL-CIO produced public affairs interview is aired weekly on the Mutual radio network.



AFL-CIO

SOLIDARITY DAY

WASHINGTON, D.C. SEPTEMBER 19, 1981

On this historic day we marched together – 400,000 Americans from all walks of life – in behalf of jobs and justice and a more humane America. Whatever the challenge, whatever the adversity, these shall remain our goals.

Lane Kirkland, *President*

Thomas R. Donahue, *Secretary-Treasurer*

AMERICAN FEDERATION OF LABOR AND CONGRESS OF INDUSTRIAL ORGANIZATIONS

SOLIDARITY DAY MEMENTO, an individually inscribed certificate, will be sent to participants in the historic Washington, D.C., march organized by the AFL-CIO last Sept. 19. Marchers who have returned participation cards and those who write for the souvenir will receive a packet that includes a letter from AFL-CIO President Lane Kirkland urging them to protest the Reagan Administration's cuts in social programs and continue to make their voices heard to prevent Administration slashes in the social security program.

Social Security Fight Enlists Solidarity Day Participants

The AFL-CIO is mailing individually inscribed certificates to participants in last September's Solidarity Day march as a souvenir of the historic occasion and as the start of a new grass-roots campaign to save social security.

Persons who signed and returned the Solidarity Day cards distributed by bus captains and union marshals will receive their certificates later this month in a packet that includes a letter from AFL-CIO President Lane Kirkland urging them to continue to make their voices heard.

THE 400,000 concerned Americans who came to Washington on Sept. 19 made Solidarity Day "a smashing success," Kirkland wrote, and helped strengthen resistance to destructive Reagan Administration policies.

"We must move forward now," Kirkland urged. The immediate focus, he said, should be the attempt by Reagan and Administration budget-cutters "to take away social security benefits you have worked hard for and earned."

Included in the packet are postcards that recipients are asked to sign and mail to their senators and representatives in Congress, along with a return card to the AFL-CIO.

THE SOLIDARITY DAY certificate, made out in the name of the marcher and signed by Kirkland and AFL-CIO Sec.-Treas. Thomas R. Donahue, seads: "On this historic day we marched together—400,000 Americans from all walks of life—in behalf of jobs and justice and a more humane America. Whatever the challenge, whatever the adversity, these shall remain our goals."

Participants who did not return Solidarity Day cards or who do not receive the certificate, which is to be mailed out on Jan. 18, can have the packet sent to them by writing to: Solidarity Day, Room 309, AFL-CIO, 815 16th Street, N.W., Washington, D.C. 20006.

NLRB Caseload Rises 4.5 Percent To Record High

The National Labor Relations Board reported a record number of cases filed with it during the fiscal year ended Sept. 30, 1980, a 4.5 percent increase over the previous year bringing the total to 57,381.

The total included 44,063 charges of unfair labor practices and 12,701 petitions to conduct representation elections. The intake of unfair labor practice charges represented a 7 percent increase over fiscal 1979 when 41,259 charges were filed.

CHARGES FILED against employers reflected a sharp, 8-percent rise over the preceding fiscal year while charges eagainst unions increased 4 percent. Some 36 percent of the unfair labor practice charges were found to have merit.

In reporting the record caseload, the 20th year in a row that it has exceeded the previous year, the NLRB noted that for the 10-year period from 1970 to 1980 the agency's case intake climbed 71 percent.

The board's annual report said that unions won 45.7 percent of the 8,198 conclusive representation elections conducted by the agency during the 1980 fiscal year. During the preceding fiscal year, workers voted in favor of union representation in 45 percent of the elections.

ACCORDING TO the NLRB, unions won 3,744 representation elections in fiscal 1980, and thereby gained bargaining rights or continued as employee representatives for 196,515 workers.

The board's annual report also shows a record $32.4 million in backpay was awarded to 15,566 workers who were illegally discharged or otherwise discriminated against in violation of their rights under the National Labor Relations Act. The agency obtained 10,033 offers of job reinstatement, 89 percent of which were accepted. Unions were required to pay workers some $300,000 for unlawfully exacted dues, fees, and fines.

Plant Contamination Charged

Strikers Push Demand For Radiation Controls

Jonesboro, Tenn.—Since last May 1, about 100 employees of TNS, Inc. have been striking to persuade management to eliminate high levels of radioactive uranium dust that they say are contaminating the plant.

So far, the company has refused to budge from its hard-line stand against efforts of the Oil, Chemical & Atomic Workers to negotiate effective health and safety provisions in a new contract. The old OCAW agreement expired last Apr. 30.

BUT MEMBERS of OCAW Local 3-974 are just as determined to secure the protections—because in a single day on the job they are sometimes bombarded with more radiation than most people receive in a year, the union has charged.

Overexposure to radioactive materials such as uranium injures body cells and can lead to numerous illnesses, including cancer and genetic damage. High doses of radiation can cause immediate death.

TNS, a subsidiary of Aerojet General, makes anti-tank ammunition from depleted uranium, a waste product of nuclear fuel processing. Although still radioactive, the ammunition is not considered a nuclear weapon. The uranium is used for its extreme density—nearly twice as heavy as lead—which enables it to pierce armor.

LONG BEFORE the TNS workers went on strike, the company refused to respond to their requests to implement controls for uranium-contaminated dust, radiation exposure, smoke and excessive noise, the union said.

Much of the dust is generated from furnaces and grinding operations. According to Nuclear Regulatory Commission guidelines, 53 percent of TNS workers have ingested enough uranium to risk permanent damage, the union said.

Rather than clean up the operations, TNS issued respirators that workers are required to wear even in parts of the plant where temperatures reach 117 degrees, OCAW reported. And even with the respirators, workers were overexposed to radioactive dust, according to company records that OCAW obtained under federal law.

Tennessee's occupational safety agency, TOSHA, was of little help. While citing TNS for uranium dust levels 13 times over standard, TOSHA termed the violations "nonserious" because workers were wearing respirators, and it issued no fine.

Tennessee is among two dozen states that operate their own occupational safety programs with the approval of federal OSHA.

In recent testimony before a House subcommittee on science and technology, OCAW Legislative Director Nolan W. Hancock charged that the company's respirators were ill-fitting and improperly maintained.

Hancock said the respirators at TNS were cleaned by dipping them in a bucket of water located near a furnace in a contaminated area. According to employees, he said, the water was not changed daily "and there was about one-half inch of slime in the bottom."

FILTERS ON the respirators were changed only every few weeks, he added, a practice that not only disregards commonly accepted industry procedures, but also violates federal regulations.

In an appearance on the CBS network television show, Sixty Minutes, Dr. Mark Nelson of the OCAW health and safety department charged that TNS workers were exposed to extremely high levels of radiation even during periods which the workers described as being "low-level" workweeks.

On a particular day during the "low-level" week, Dr. Nelson said, one worker received 104 millirems—the equivalent of five chest x-rays over the entire body.

IN ANOTHER study by Nelson that Hancock cited before the House subcommittee, TNS workers were found to have excessive levels of uranimum in their urine, which could lead to kidney damage.

Meanwhile, TNS has shifted a part of its operations to a plant in California and has hired 53 non-union workers to replace the OCAW members at Jonesboro.

Price Decontrol, Cut in Aid Mean More Utility Shutoffs

A national coalition of more than 200 labor, senior citizens and community organizations warned that 1.5 million American households will have had their gas or electric utility service disconnected this year.

The Citizen/Labor Energy Coalition, whose estimate is based on a 22-state survey of utility disconnections, urged members of Congress while on holiday recess to investigate the scope of the problem in their own communities, and on their return to Washington to oppose both natural gas decontrol and further cuts in energy assistance and weatherization programs.

William R. Hutton, secretary-treasurer of the coalition and executive director of the National Council of Senior Citizens, estimated that more than 150,000 households in the country will be cut off from their gas heating source through utility disconnections this winter.

"Additional hundreds of thousands of families will barely make it through the winter, only to have their utility service disconnected in the spring. And it will be even worse next winter if President Reagan and the oil companies succeed in raising our gas bills through natural gas decontrol."

Hutton said the utility shutoff problem presents an especially tragic situation for children and elderly Americans who risk serious illness or death by accidental hypothermia if their heat is cut off.

THE COALITION'S study, titled "Cold and Dark: Utility Disconnections in the United States," showed that between Oct. 1, 1980, and Sept. 30, 1981, at least 1.5 million households had their utilities disconnected for non-payment of bills. The figure is an extrapolation from the sample to the national population.

In the 1981-82 year, utility disconnections will equal or exceed the sample's total as utility bills rise faster than household income, energy assistance programs are cut, and unemployment grows, the coalition warned.

Grain Plant Explosion Spurs New Call for Safety Standard

Milwaukee—A fire and explosion at an Illinois grain and soybean processing plant last month that injured 16 workers underlines the need for prompt federal action to set effective safety standards for the grain industry, the Allied Industrial Workers said.

AIW President Dominick D'Ambrosio charged that although the Occupational Safety & Health Administration has been pressed for several years to establish the regulations, "OSHA has only dragged its feet."

The 16 workers injured at the Lauhoff Grain Co. explosion in Danville, Ill., on Dec. 16 are represented by AIW Local 972.

SINCE THE MID-1970s, AFL-CIO unions have repeatedly called for effective controls to reduce the risk of explosions at grain elevators and processing plants. During the past five years, grain dust explosions have killed more than 100 workers and injured hundreds of others.

Despite the continuing efforts of labor to initiate federal action, D'Ambrosio noted that Assistant Labor Sec. Thorne G. Auchter told a Senate committee last year that OSHA does not expect to issue a grain standard until 1984.

Although grain workers encounter unusual and serious hazards on the job, the industry is covered by few regulations or standards, D'Ambrosio said. He pointed out that accumulated grain dust poses a serious threat of explosions and that chemicals used in the plants can lead to cancer and other health problems.

'81 Proves Year of Renewal for Labor

It was a roller coaster of a year for America's unions and the workers they represent.

On the up side, the AFL-CIO's centennial observance reaffirmed and renewed the ideals and goals of the labor movement and drew strong grass-roots participation throughout the country. A series of regional conferences led to the immensely successful Solidarity Day. An ambitious Houston organizing drive was launched with active cooperation of 30 unions. Reaffiliation of the Auto Workers was a giant step in strengthening labor unity.

On the down side, Reagonomics threw an already sagging economy into a tailspin. Programs labor helped enact and nurture have been devastated by a right-wing Administration and a compliant Congress.

Across the ocean, Poland's Solidarity labor federation was a beacon of freedom that guns and tanks haven't been able to extinguish.

The following is a month-by-month review of the major labor events of the year recorded by the AFL-CIO News.

JANUARY

Centennial year of America's trade union movement opens with call by AFL-CIO President Lane Kirkland for regional conferences to stimulate "a free flow of ideas" throughout the federation . . . 97th Congress convenes with Republicans in control of Senate for the first time in a quarter-century . . . President Reagan's inaugural address sets the tone for his Administration. "Government is the problem," he proclaims, "not the solution . . ." AFL-CIO building decked in yellow ribbons to welcome home the Americans held hostage in Iran . . . At Senate hearings, AFL-CIO urges emergency relief for the import-battered auto industry and broadening of trade adjustment assistance to workers.

People: Terrorists in El Salvador murder two representatives of the AFL-CIO's American Institute for Free Labor Development, Michael D. Hammer and Mark D. Pearlman, and Jose Rodolfo Viera, the union leader who headed his nation's land reform program . . . Ruben Levin, much-honored editor of the railroad union newspaper, Labor, dies at 78.

FEBRUARY

Raymond J. Donovan's first action as Secretary of Labor is withdrawal or postponement of regulations initiated under the Carter Administration involving occupational health and safety, overtime pay requirements and prevailing wage rules . . . AFL-CIO Executive Council proposes alternatives to the "high-risk gamble" of Reagan's economic program. It urges a social security tax credit instead of income tax reductions tilted to the rich, and business tax reductions targeted to job-creating investments instead of new windfalls for hugely profitable oil companies . . . Aid to Poland endorsed only if conditioned on the continued survival of the free trade union federation, Solidarity.

People: Entertainer Danny Thomas chosen for Murray-Green-Meany Award for his dedication to St. Jude's Children's Research Hospital.

MARCH

AFL-CIO brings together 157 organizations in a Budget Coalition to lobby against destruction of social programs . . . Kirkland joins Mine Workers President Sam Church, Jr., in march to White House by miners protesting cuts in black lung funding . . . Union witnesses at Senate hearings assail proposals for a subminimum youth wage . . . Consumer price index jumps in aftermath of decontrol of oil prices . . . New Mexico Gov. Bruce King vetoes a "right-to-work" bill outlawing the union shop . . . Executive board of Auto Workers unanimously endorses reaffiliation with AFL-CIO and schedules special regional conventions to vote on issue. "It is time for solidarity," UAW President Douglas A. Fraser declares . . . President Reagan shot as he leaves a Washington hotel after a speech to the Building & Construction Trades Dept. Political differences put aside as labor and nation react with shock, outrage, prayers.

People: Harry R. Poole, who had been president of the Meat Cutters before the union's merger into the Food & Commercial Workers, retires as UFCW executive vice president and is succeeded by Stephen Coyle.

APRIL

The 10th anniversary of the Occupational Safety & Health Act finds the Administration scuttling worker protections in the name of cost effectiveness and deregulation. AFL-CIO Sec.-Treas. Thomas R. Donahue charges that "the federal government has switched sides." . . . AFL-CIO is honored by the Leadership Conference on Civil Rights with its Hubert H. Humphrey Award for "unswerving support of equal rights" . . . 20,000 angry railroad workers march to the Capitol to protest drastic cuts in Amtrak and Conrail funding . . . "Right-to-work" defeated in New Hampshire legislature . . . Delegates to regional conventions authorize UAW's executive board to bring the union back into the AFL-CIO . . . Executive boards of the Service Employees and the Retail, Wholesale & Dept. Store Union endorse a merger plan.

People: Joseph T. Power, president of the Plasterers, dies at 61; Melvin H. Roots subsequently chosen to succeed him.

MAY

Congress adopts Reagan budget figures as 63 House Democrats bolt to support the Republican bill . . . AFL-CIO Executive Council charges proposal by Labor Sec. Donovan to end a 40-year ban against industrial homework in apparel-related industries would resurrect "kitchen sweatshops." . . . Kirkland tells Cabinet task force headed by Vice President George Bush that unions want enforcement, not "relief" from regulations to protect workers, consumers and the environment. . . . Drastic social security cutbacks proposed by the Administration send shockwaves through nation. Biggest slash would fall on workers retiring at age 62. Save Our Security coalition launches counterattack. . . . Youth subminimum wage strongly opposed by blue-ribbon Minimum Wage Study Commission . . . Illinois legislature defeats "right-to-work."

People: Teamsters President Frank Fitzsimmons dies at 73.

JUNE

Davis-Bacon Act and other prevailing wage laws defended at Senate hearings. Government contracts shouldn't be prizes to employers paying the lowest wages, the AFL-CIO insists . . . OSHA revokes its walkaround pay rule for safety inspections . . . Senate drastically cuts food stamp benefits and bars aid to families of strikers, regardless of need . . . 37 organizations endorse letter by Kirkland protesting Labor Dept. proposals to weaken affirmative action obligations for government contractors . . . In a major victory for labor's position, Supreme Court upholds Carter Administration standard limiting worker exposure to cotton dust and says safeguarding of workers' health is not subordinate to cost considerations . . . AFL-CIO Executive Council unanimously approves reaffiliation of the Auto Workers . . . The call goes out for a Solidarity Day demonstration on Sept. 19. A showing of grass-roots, rank-and-file support for labor's program "will be the most effective response to the Administration's claim that it speaks for the working people of America," Kirkland says.

People: Sal B. Hoffman, president of Upholsterers for 44 years, dies at 82.

JULY

NAACP convention endorses Solidarity Day, calls on its local branches to participate . . . At congressional hearings, AFL-CIO charges Administration with exaggerating social security funding problems to pave the way for cutbacks; Kirkland challenges Administration's "survival of the fittest" trade doctrine . . . Five former Secretaries of Labor oppose lifting of curbs on industrial homework as proposed by Donovan . . . A marathon 30-hour bargaining session brings agreement on a new three-year contract covering 500,000 workers represented by the Postal Workers and the Letter Carriers . . . Thousands of elderly demonstrators led by the National Council of Senior Citizens gather on the steps of the Capitol in 90-degree heat to protest Administration efforts to cut back social security.

People: Fred J. Kroll, president of the Railway & Airline Clerks and an AFL-CIO vice president, dies at 45 after a five-year struggle with leukemia. Richard I. Kilroy elected his successor.

AUGUST

AFL-CIO General Board calls on affiliates and central bodies to give "top priority" to making Solidarity Day "an effective, powerful expression of protest against the policies of the Reagan Administration" . . . Strike by the nation's air controllers and Administration response that Kirkland termed "brutal" dominates the month's news. Mass dismissals of strikers, jail terms, union-busting fines against PATCO arouse union members across the country. AFL-CIO launches a special fund to help the families of the dismissed controllers.

People: Auto Workers President Douglas A. Fraser elected to AFL-CIO Executive Council. Deaths include retired union presidents Albert J. Hayes of the Machinists and Joseph Curran of the National Maritime Union.

SEPTEMBER

Labor Day in New York is a rehearsal for Solidarity Day as 150,000 union members march up Fifth Ave. . . . Encyclical by Pope John Paul II terms unions "indispensable" to the struggle for social justice and "the just rights of working people" . . . And on Solidarity Day, Sept. 19, caravans of buses, special trains and car pools bring 400,000 union members and their allies to the nation's capital. Their ranks stretch from the Capitol to the Washington Monument. "As far as the eye can see," Kirkland says from the speakers' platform. Placards, T-shirts and banners proclaim "We Are One" and "My Union Speaks for Me." . . . Across the Atlantic, Poland's Solidarity labor federation is meeting in convention in Gdansk, but the AFL-CIO delegation invited by Lech Walesa has been denied visas by the Communist government . . . At Senate hearings, Sec.-Treas. Donahue urges rejection of John R. Van de Water's appointment to head the National Labor Relations Board because of his "partisan role" as a management consultant in union representation campaigns.

People: Deaths include Dean K. Clowes of the Steelworkers staff, who carried out major international and political assignments, and Roy Wilkins, the civil rights leader.

OCTOBER

Unemployment jumps to 7.5 percent, 8 million out of work . . . Labor-supported extension and strengthening of Voting Rights Act passes House, 389-24 . . . Houston organizing project launched by the AFL-CIO in cooperative effort by 30 international unions and the area's labor movement . . . Consumer price rise pushes real earnings of workers down 1.1 percent over the month, 4.4 percent below year ago . . . Labor Dept.'s proposal to revise CPI housing component is branded by AFL-CIO as a political move.

People: Rubber Workers elect Milan Stone president as Peter Bommarito steps down. John Perkins designated COPE director on retirement of Alexander E. Barkan. Deaths include Albert J. Zack, retired AFL-CIO public relations director, and Stove Workers President George E. Pierson.

NOVEMBER

Unemployment jumps to 8 percent as recession deepens . . . AFL-CIO endorses bill to toughen penalties against corrupt union officials as good for nation and in labor's "best interests" . . . Centennial convention charts program to carry American labor forward as federation enters its second century . . . Election Day 1982 proclaimed as labor's next Solidarity Day . . . Convention actions include per capita tax increase to support new and expanded activities, such as reaffiliation with International Confederation of Free Trade Unions and creation of an Institute for Public Affairs . . . Crisis in Poland prevents Lech Walesa from accepting in person the George Meany International Human Rights Award on behalf of Solidarity . . . Kirkland, Donahue, 28 vice presidents re-elected.

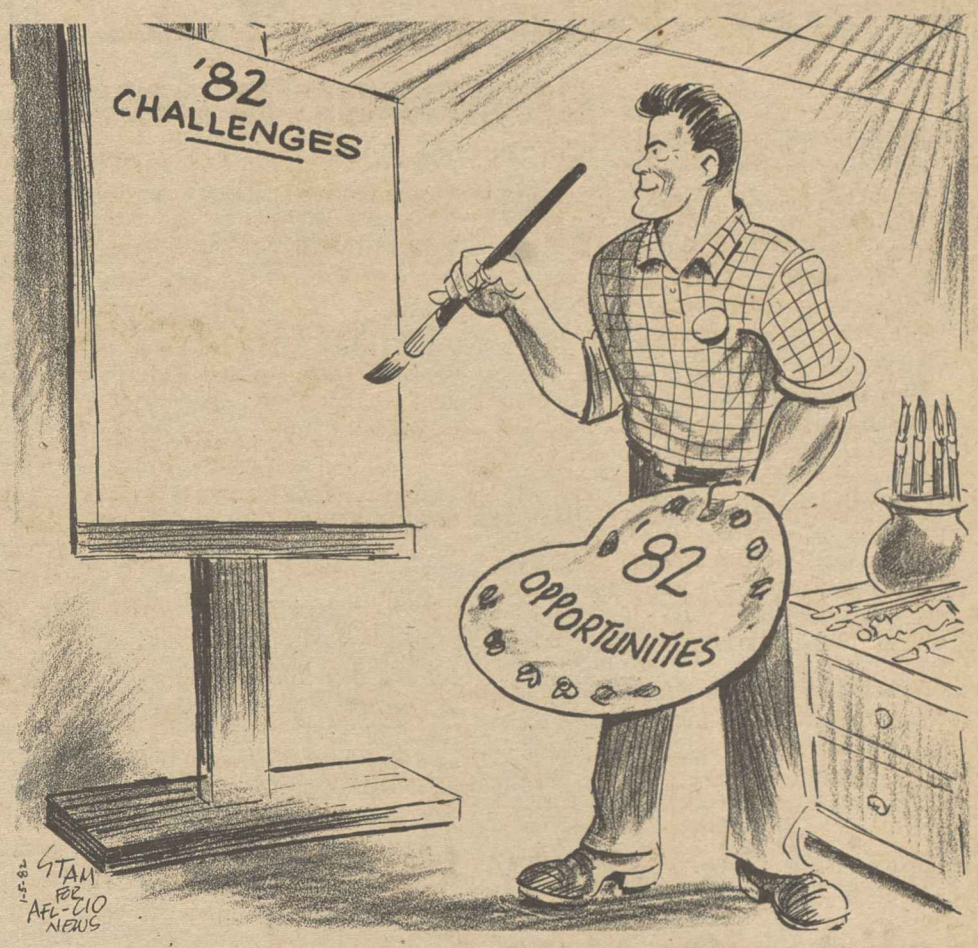
People: New AFL-CIO vice presidents are Frank Drozak, Seafarers; James E. Hatfield, Glass Bottle Blowers; Barbara B. Hutchinson, Government Employees; Richard I. Kilroy, Railway & Airline Clerks, and Vincent R. Sombrotto, Letter Carriers.

DECEMBER

AFL-CIO leaders meet with Reagan at White House, express "deep, principled differences" with his economic policies but welcome promise that labor will be consulted in shaping of Administration policies . . . Reagan refuses to reinstate fired air traffic controllers, says they won't be barred from other government employment. Kirkland expresses disappointment at decision . . . At congressional hearings, AFL-CIO assails attempt to amend Hobbs Act to make picket line misconduct a federal felony . . . Jobless rate soars to 8.4 percent, highest in six years . . . AFL-CIO denounces suppression of Poland's Solidarity and helps organize nationwide demonstrations against the Soviet-dictated military rule . . . The government's index of leading economic indicators points to deeper recession . . . Congress votes an additional $4 billion slash in social programs at the insistence of Reagan.

People: AFL-CIO Information Director Saul Miller, editor of the News and executive editor of the Federationist, announces his retirement in mid-January. Jerry Wurf, president of the State, County & Municipal Employees for 17 years, dies; the AFSCME executive board elects Gerald W. McEntee to fill the vacancy.

Fresh Canvas



Idaho Ruling Fought

ERA Supporters Seek Quick Action on Appeal

(Continued from Page 1)

The proposed amendment was approved by Congress in 1972 and 35 states had voted for ratification by 1977, three short of the necessary 38 needed for ERA to become part of the Constitution. Five states, however, subsequently voted to rescind their votes. They are Idaho, Nebraska, Tennessee, Kentucky and South Dakota.

The AFL-CIO had joined with the National Organization for Women and other organizations in successfully persuading Congress to extend the deadline for ratification from March 29, 1979, to June 30, 1982. The federation has given strong and active support to the campaign to achieve ratification of the ERA, reaffirming that support as recently as the 1981 convention last November.

THE FEDERAL court ruling, if upheld, would immediately nullify the ERA fight by requiring that the 1979 deadline stand. It would also set back to only 30 the number of states recorded by the General Services Administration as favoring ratification.

The National Organization for Women announced that it would appeal the Idaho ruling to the U.S. Court of Appeals for the Ninth Circuit and to the Supreme Court. Federal law allows direct appeals to the high court in civil cases involving the government where a district court has invalidated an act of Congress.

NOW President Eleanor Smeal said the organization will seek a speedy decision in the case because of the approaching June 30 final deadline.

THE JUSTICE DEPT. announced Jan. 4 that it would also appeal the ruling, but in a qualification issued the next day, the department said it would oppose NOW's efforts to expedite the appeal "since the entire matter may be rendered moot in the months ahead."

The Reagan Administration has expressed opposition to the proposed amendment.

NOW also pointed out that the ruling complicates its efforts to achieve ratification in three more states by June 30 since many state legislatures complete their business as early as February and March. The decision is likely to be tied up in the appeals process during that period. The case was originally filed in the spring of 1979.

SMEAL, IN A statement on the decision, stressed that NOW and other ERA supporters will not slacken their efforts to achieve ratification in the face of the court ruling.

NOW will continue to focus on ERA as an economic issue, she said, charging that opponents of the amendment had distracted attention from the "bread and butter" issues by raising "scare" arguments against ERA.

THE TACTICS of distraction "make it permissible" for state legislators to vote against ERA, Smeal charged, pointing out that they "can't vote 'no' because they are against paying women more as workers." The "scare issues" give legislators the excuse to vote "no," Smeal said.

In the original court case in which the U.S. Government was the defendant, later joined by NOW and others, the government said the extension should be upheld on the grounds that the Constitution gives Congress, not the states, the power to set the procedures for ratifying constitutional amendments.

ARTICLE V of the Constitution does not set any time limits on ratification of proposed amendments, but calls for "the mode of ratification" by at least three-fourths of the states to be determined by Congress.

NOW attorneys also point out that there are serious questions about the actions taken by the states to rescind their votes favoring ratification. In two states the rescission votes were vetoed by governors. In another state, rescission was permitted by a one-vote majority even though a two-thirds margin was required for ratification, and in a fourth state the legislature voted to "annul" its vote when there were not enough votes to rescind.

MONTANA GOV. Ted Schwinden (D) buys a $1 Solidarnosc button from Executive Sec. James W. Murry of the Montana AFL-CIO, left, in a show of support for the Polish trade union movement—now the target of a military crackdown by Poland's Communist regime.

Finley Cites Industry's Stake In Fair U.S. Trade Policy

Chicago—President Murray H. Finley of the Clothing & Textile Workers told an international trade group here that labor "cannot and will not accept" a trade policy that leads to the closing of U.S. plants and the loss of U.S. jobs.

"Trade policy must be fair; it must deal equitably with all sectors of the economy and equitably with all factors of production," Finley declared in an address to the Chicago World Trade Council.

LABOR IS "particularly distressed," he said, by recent government actions reducing benefits for workers who lose their jobs due to imports.

Finley noted that there was a "tacit agreement when the Trade Act of 1974 was going through Congress that the labor movement would accept reduced domestic trade barriers in return for help in retraining and relocating workers unemployed as a consequence of increased imports."

"That covenant has now been broken," he said, and this poses a problem for both workers and industry.

"Whether your industry is export-oriented or produces essentially for the domestic market, the interest of all of us is in a fair trade policy, one that will preserve the industrial base of this country," he stressed.

FINLEY POINTED OUT that his own industry—textile and apparel—had been more fortunate than others in dealing with the import problem by means of a Multifiber Arrangement (MFA). He said the latest extension of the MFA until mid-1986 will allow the transfer of some textile and apparel imports from well-established exporting countries—such as Hong Kong, Korea and Taiwan—to newer and less-developed countries that need industrialization and higher standards of living.

This would benefit the Reagan Administration policy in regard to the Caribbean countries, where political, economic and social stability "are so important to the security and economic well-being of our own country," he observed.

"If the Caribbean policy is successful, it will help the free trade movement in that area, which in itself will contribute mightily to the democratic process."

HE ALSO discussed labor's attitude toward cost reductions in manufacturing.

"It is clear to us," he said, "that all industries, and particularly labor-intensive industries, must strive to become more competitive and, by doing so, they will help ultimately to create a healthier U.S. industrial structure."

Elderly Face Double Hike In Medicare Payments in '82

The nation's elderly covered by Medicare insurance will pay a greater share of their health costs in 1982 as a result of higher deductibles and premiums announced by the Health & Human Resources Dept.

Fueled by soaring health costs, premiums for the nearly 29 million enrollees in Medicare's supplementary medical insurance program—known as Medicare Part B—will rise by 11.2 percent, or $1.20, to $12.20 a month in July. Medicare Part B covers doctors' bills, outpatient services, diagnostic tests, medical equipment, home health services, and other out-of-hospital costs.

About 28.8 million persons will be enrolled under Medicare Part B in the next fiscal year, 26 million of them over the age of 65 and the rest disabled under 65, HHS said.

The increase in the monthly premium comes on top of a $15 increase in the calendar year deductible, to $75 effective Jan. 1, that Congress passed as part of last summer's budget-cutting legislation.

The premium increase is smaller than last year's jump of nearly 15 percent, from $9.60 the year before. Premiums have gone up steadily since the program began in 1966.

The government also announced that Medicare's hospital (Part A) deductible will increase more than originally anticipated. Effective Jan. 1, the hospital insurance deductible became $260. It was $204 in 1981. This means that when a Medicare patient enters the hospital and begins a new "benefit period" in 1982 he or she will have to pay for the first $260 of covered hospital services.

THE HOSPITAL insurance deductible has increased almost every year since Medicare began. The Part B medical insurance deductible increase is the first in eight years.

HHS said the cost of benefits under Part B is expected to increase to $17.3 billion in fiscal 1983, from fiscal 1982's $14.7 billion. The agency blamed increases in the program's cost on doctors' fees and the number of services furnished, a trend toward more expensive services, and an increase in the cost and use of outpatient services.

Fireman & Oilers Reach Rail Accord

A ninth union representing railway workers, the Firemen & Oilers, reached agreement with the nation's major railroads on a new 39-month contract providing substantial wage and fringe benefit improvements.

Seven other unions already have signed new agreements with the National Railway Labor Conference, the industry's bargaining arm, and the Signalmen are in the process of voting on the pact. That leaves only four other unions still bargaining with the carriers — the United Transportation Union, Train Dispatchers, Yardmasters, and the unaffiliated Locomotive Engineers.

Generally, the new contracts provide a maximum average hourly increase of $3.33 over the 39-month term, plus improvements in vacations, holidays, and health and accident insurance.

Economic Index Continues Slide For 4th Month

(Continued from Page 1)

rate in November was 8.4 percent, and most analysts expect that to rise.

Six components contributed to the November decline in the index of economic indicators. The chief culprit, however, was the change in liquid assets. Other declining indicators were the average workweek, layoff rate, new orders, vendor performance, and change in sensitive crude materials prices. The four rising components were plant and equipment orders, stock prices, building permits, and the money supply.

In a separate report, the Bureau of Labor Statistics said the layoff rate among factory workers rose by one-tenth of 1 percent to 2.3 percent in November, the highest level since the 1980 recession.

DURABLE GOODS manufacturers registered a bigger increase in layoffs than nondurable goods firms, with the largest increases in furniture and fixtures; stone, clay, and glass products; primary metal industries, fabricated metal products, and miscellaneous manufacturing industries.

Other economic reports showed:

- The United States ran a foreign merchandise trade deficit of $4.41 billion in November. That pushed the cumulative U.S. trade deficit for the first 11 months of the year to $38.4 billion, the Commerce Dept. said. This was more than the 1980 full-year total of $36.4 billion.
- A modest late-year gain in sales of new single-family homes in November. The Commerce Dept. said total sales of such homes rose 11.3 percent to a seasonally adjusted rate of 403,000 units, the best since July but still at a depressed level.

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1/9/82

Congress Pressed by Kirkland To Reverse 'Reagan Recession'

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Job-Creating 'Alternatives' Spelled Out

By David L. Perlman

AFL-CIO President Lane Kirkland called for a quick change of direction in the new session of Congress to halt the "Reagan recession" and relieve the suffering of millions of jobless Americans.

In a stinging assessment of the first year of the Reagan presidency and in a follow-up interview with reporters, Kirkland blamed near-record unemployment on the Administration's failed "experiments with voodoo economics."

HE ADVANCED a comprehensive labor-drafted program to get the economy back on course, but saw "no realistic hope" that the Reagan White House will take effective action. Congress has the obligation to shape "responsible alternatives" to Administration inaction, he urged.

"The White House has no plan, no ideas, and apparently no interest in trying to reverse the economy's downward plunge," Kirkland charged.

Text of Kirkland statement on Page 4; excerpts from interview on Page 6.

As unemployment soars toward a post-war high, "the Administration has reduced unemployment insurance benefits, training programs and welfare programs." Not in half a century has there been "such a heartless official reaction" to the hardships of unemployment, he said.

Slashing the budget for employment services at a time of rising joblessness, laying off trained job counsellors, is "madness," Kirkland said.

"WE MUST strengthen social welfare programs, not destroy them," Kirkland urged.

He called for "direct government action" to create jobs, "instead of waiting for the mirage of trickle-down policies to take hold." Interest rates must be lowered, Kirkland insisted, "and credit allocated to productive, job-producing uses."

Kirkland urged Congress to rescind "the unfair giveaways" of the tax bill enacted last year and require corporations and the wealthy "to share the fiscal burden which has been shifted to working people and the poor."

(Continued on Page 7)

Oil Industry Pattern Seen In Gulf Pact

Denver—The Oil, Chemical & Atomic Workers have won a new two-year contract with the Gulf Oil Corp., that the union said will set the pattern for agreements covering 55,000 workers in the nation's oil and petrochemical industries.

The settlement, approved by the OCAW National Oil Bargaining Policy Committee, is subject to rank-and-file ratification. Gulf's 260 employees at Santa Fe Springs, Calif., already have voted favorably on the pact. OCAW members at the company's largest refinery in Port Arthur, Tex., and in Cleves, Ohio, still were balloting on the agreement.

This year's oil industry talks represent the first major round of negotiations in any industry this year, and involve all the major oil companies and a large number of independent firms.

THE CONTRACT, covering a total of 3,000 Gulf employees, provides for a 9 percent pay boost this year and 90 cents an hour more, or about 7 percent, in 1983. In addition, the pact raises company contributions to family health coverage by $17.50 a month, retroactive to Jan. 1, and $13.50 on Jan. 1, 1983, to a total of $151.50.

Contributions for single coverage rise by $6 and $4 to a total of $53. Life insurance coverage increases from $10,000 to $20,000, and accidental death and dismemberment coverage for on-the-job injuries goes from $25,000 to $50,000.

OCAW President Robert F. Goss described the Gulf agreement as "the best we could negotiate without a strike." Goss, who is vested with the sole authority to implement the national strike authority granted by the union's membership, said he was not "willing to call a strike under the current economic situation."

(Continued on Page 3)

CENTRAL LABOR COUNCIL in Sacramento, Calif., joined other community groups in picketing a shipment of wheat on a Russian freighter to the Soviet Union and protesting suppression of Poland's Solidarity trade union federation.

World-Wide Protest Set On Polish Suppression

By James M. Shevis

The AFL-CIO will join other free trade union organizations all over the world Jan. 30 in a day of international protest over Poland's martial law and repression of that country's independent unions and workers' rights.

Details of the federation's participation have yet to be worked out fully, but plans call for demonstrations in major U.S. cities in support of the Solidarity union federation that the Jaruzelski regime moved to suppress last month and the launching of additional fund-raising campaigns for humanitarian assistance to the Polish people.

The worldwide demonstrations, coordinated by the International Confederation of Free Trade Unions, was sought by a group of Solidarity activists meeting Jan. 8 and 9 in Brussels where the ICFTU is headquartered. ICFTU Gen.-Sec. Otto Kersten responded with messages to all 130 affiliates throughout the world urging their full cooperation.

Meanwhile, the International Labor Organization asked the Polish government to allow an ILO mission to come to Poland to help in the "restoration of social peace" there. ILO Director-Gen. Francis Blanchard, replying to a cable from Polish Minister of Labor Antoni Rajkiewicz, noted that under the terms of ILO Convention No. 87—which he stressed had been ratified by Poland—unions "are bound to respect the law of the land." But Blanchard pointed out that the same convention "likewise requires that the law of the land and its application shall not be such as to impair the guarantees of independence and freedom which this convention provides for trade unions."

IN HIS CABLE to Blanchard, Rajkiewicz attempted to assure the ILO that Poland's military rulers eventually will allow "truly independent" trade unions to renew their activities once "the causes which motivated their suspension have disappeared." The labor minister said union activities were temporarily suspended "to prevent civil war and to counteract signs of anarchy and economic chaos."

In an interview with reporters at AFL-CIO headquarters, however, Federation President Lane Kirkland charged that the Polish government's move to suppress Solidarity "had been on the drawing boards

(Continued on Page 2)

Administration Denounced For Retreat on Civil Rights

Atlanta—The Reagan Administration has moved "from indifference to civil rights to active support of racial discrimination," AFL-CIO President Lane Kirkland charged.

Kirkland sharply criticized both the White House backtracking on the right to negotiate an affirmative action program and the Administration's decision to grant tax-exempt status to private schools that practice and promote racial segregation.

HIS CHALLENGE to the Administration's civil rights role was scheduled for delivery Jan. 14 by AFL-CIO Vice President Kenneth Blaylock at an observance in Atlanta of the 53rd birthday anniversary of Martin Luther King, Jr., the murdered civil rights leader. Blaylock was to accept on Kirkland's behalf an award from the Martin Luther King, Jr., Center for Nonviolent Social Change.

Kirkland said the AFL-CIO was initially "pleased and encouraged" by Reagan's reply to a televised news conference question involving a Justice Dept. contention that the Supreme Court had wrongly decided the so-called Weber case. That was the landmark 1979 decision that held, as the AFL-CIO had urged, that a union and an employer could negotiate a job training plan to overcome racial imbalance even if neither party had been guilty of racial discrimination.

Reagan's press conference reply was that he could "see no fault" in providing more training opportunities, as the plan set up by the Steelworkers and Kaiser

(Continued on Page 3)

Supreme Court Urged to Rectify Setback to ERA

By Susan Dunlop

Constitutional amendments and how they are ratified are the business of Congress, not the courts, the AFL-CIO said in a brief urging the Supreme Court to overturn the ruling of an Idaho federal judge that could halt progress toward ratification of the Equal Rights Amendment.

The AFL-CIO brief, supporting an appeal by the National Organization for Women, also urges the Supreme Court to take speedy action on the case so that the ERA ratification process can continue to June 30, 1982, as intended by Congress.

DELAY WILL dampen the ratification process in the states still considering action on the amendment, the AFL-CIO said, and would permit one lower court judge's ruling to undo the work of the entire legislative process.

(Continued on Page 7)

RETIRING DIRECTOR Saul Miller of the AFL-CIO Dept. of Information receives the best wishes of Federation President Lane Kirkland and Murray Seeger, right, Miller's successor. Miller has headed the restructured information department the past two years and was director of publications since 1958.

World Labor Joins Protest Over Crackdown in Poland

(Continued from Page 1)

for months," and was "a well planned and long planned undertaking. The execution of it was done suddenly, swiftly, and efficiently."

But Kirkland added that "it's becoming ever more clear that the purposes of the coup are not being obtained. The spirit of the people has not been broken. They have not been shocked into total submission. The regrouping of the workers' movement is taking place under extremely difficult circumstances."

KIRKLAND criticized the Reagan Administration for its hesitation in taking firm action to persuade Polish authorities to end martial law, release all political detainees, and resume talks with Solidarity and the Roman Catholic Church. He said "there seems to be a little drifting away" from what he understood to be the Administration's intent when it announced a set of economic and political sanctions against the Soviet Union on Dec. 29.

"They're saying now that they'll consider steps to the extent that members of the (Western) alliance will go along with them, or the criteria for invoking them might be something else other than the failure of the Jaruzelski regime to accede" to the demands for lifting martial law and freeing the detainees, Kirkland observed.

MEMBERS OF the North Atlantic Treaty Organization moved closer to the American position at a special foreign ministers' meeting in Brussels Jan. 11, condemning the Soviet Union for its active support of "the systematic suppression" in Poland, and calling on the Polish military government "to live up to its declared intention to re-establish civil liberties and the process of reform."

"The Soviet Union has no right to determine the political and social development of Poland," the NATO allies said in a statement. Notwithstanding the harder tack taken by the alliance, the United States still stands alone in its imposition of sanctions against the USSR.

Thomas Kemme Elected To Head Stove Union

St. Louis—Thomas B. Kemme has been elected president of the Stove, Furnace & Allied Appliance Workers by the union's executive board. He succeeds George E. Pierson, who died Oct. 27 following a heart attack.

Kemme, 46, had been a vice president of the union since 1974. Before that he served as president of the union's Local 105 in Effingham, Ill.

Kemme will complete the term of office that ends Oct. 1, 1983. The union will hold its next election in July 1983 at its convention.

Wage Cuts No Remedy

Solution to Inflation Tied To Curbing Its Sources

Inflation will not be solved by recession, nor by forcing even further declines in workers' real purchasing power, AFL-CIO Research Director Rudy Oswald declared in his presidential address to the 34th annual meeting of the Industrial Relations Research Association.

"The only program with any chance to succeed is one that recognizes and attacks the many structural factors underlying the inflationary process," Oswald said. High costs of energy, food, health, and medical care, along with tight money and high interest rates are the real causes of today's inflation, he stressed.

THE BIGGEST and most obvious sources of inflation are energy price increases—the result of the cartel policies of the major oil-exporting nations—and the decontrol policies and extraordinary profits of U.S. oil and gas producers, Oswald said.

He charged that the tight-money and high-interest-rate policies of the Reagan Administration and the nation's central bank, the Federal Reserve Board, have been another key source of inflation. These policies, he said, have pushed up the cost of housing, construction, consumer credit, private investment, and public investment in basic economic infrastructure.

Recent food price surges have been tied to unpredictable weather and international markets, and health and medical care costs rose at extraordinary rates because of the lack of a rational health care system, Oswald observed.

"THE BASIC POINT is that inflation was produced by problems in basic sectors of the economy and by misguided monetary policy aimed at restricting aggregate demand," he said. "Instead, this monetary policy pushed prices up throughout the economy while pushing the nation into a recession."

Oswald charged that the Reagan anti-inflation program is a thinly disguised attack on the jobs and wages of American workers. The Administration's tax cuts benefit mainly the wealthy, he noted. For most families with incomes up to about $30,000, there is no real tax reduction, even by 1984, he pointed out.

Oswald said that the economic policies advocated by the AFL-CIO are based on three simple principles:

- Economic progress and social justice go together. Fairness and compassion are not in conflict with efficiency.
- Full employment is a moral, social, political, and economic imperative.
- The attack against inflation must focus on the true causes of inflation.

IN ANOTHER area, workers' unemployment compensation, the AFL-CIO scored the Reagan Administration for proposing budget cutbacks that would further weaken the already inadequate system. In a paper prepared by Assistant Director Arleen Gilliam of the federation's Dept. of Social Security, the federation charged that attempts to deny benefits to large numbers of jobless workers and to reduce the duration of payments for many others "erode the inherent social insurance principles of the unemployment insurance program."

The paper, presented by AFL-CIO Social Security Director Bert Seidman due to Gilliam's illness, pointed out that with the persistence of high levels of unemployment and projections that joblessness will continue to increase this year, an effective and sound unemployment insurance system is critical to the economy.

Gilliam described the Administration's attacks on the present system as "unprecedented." In addition, as a result of congressional action over the past two years, harsh provisions have forced states to slash existing unemployment insurance protections, she noted.

ELLIOT BREDHOFF, counsel to the AFL-CIO Industrial Union Dept. and the Steelworkers, said in a workshop discussion of union pension investment strategy that federation policy aims at directing investments into areas beneficial to union members, such as home mortgages, health maintenance organizations, and day-care centers.

Investments also would be made for construction, new technology industries, and other programs to create jobs, he said. The funds would go to firms with labor policies approved by organized labor and away from companies considered anti-union.

Also addressing the meeting or participating in its workshops were Richard M. Prosten, IUD research director; Government Employees President Kenneth T. Blaylock; Charles McDonald, executive assistant to the director of the AFL-CIO Dept. of Organization & Field Services; Winn Newman, general counsel of the State, County & Municipal Employees, and John F. Leyden, executive director of the AFL-CIO Public Employee Dept.

Oswald completed a one-year term as president of the IRRA at the annual meeting. Milton Derber, professor of industrial relations at the University of Illinois, was installed as the new president of the association.

Court Upholds Multiemployer Bargaining Rules

A 5-4 majority of the Supreme Court upheld the judgment of the National Labor Relations Board that a company can't unilaterally withdraw from a multiemployer bargaining association because of an impasse in negotiations, and must comply with the terms of a contract that is subsequently negotiated.

Under NLRB guidelines, an employer may withdraw from a multiemployer unit before the start of negotiations by giving appropriate notice. But once negotiations have begun, withdrawal is allowed only by "mutual consent" or in "unusual circumstances."

THE CASE that reached the Supreme Court involved a Massachusetts linen supply company that was part of a 10-firm multiemployer association that bargained with a local of the Teamsters. During a strike-lockout that followed a negotiating deadlock, the company fired and replaced its union drivers and declared its withdrawal from the employer group. The NLRB held that the firm remained bound by the terms of the contract the union and the employer association subsequently negotiated.

While the 1st Circuit U.S. Court of Appeals upheld the NLRB, other appellate courts had ruled otherwise in similar circumstances.

The majority decision, by Justice Byron R. White, finds that the position taken by the NLRB is not inconsistent with federal labor law. It concludes that courts should normally defer to the NLRB's expertise as to the policy that best furthers the legislated goals of "labor peace through effective collective bargaining."

JOINING IN the conclusion were Justices William J. Brennan, Jr., Thurgood Marshall, Harry A. Blackmun and John Paul Stevens.

Chief Justice Warren E. Burger, in a dissent joined by Justice William H. Rehnquist, contended the NLRB policy gave unions an edge because they could negotiate an interim agreement with one or more employers while continuing economic pressure on other firms in the multiemployer association.

A separate dissent by Justice Sandra Day O'Connor, joined by Justice Lewis F. Powell, Jr., did not dispute the NLRB's general policy, but contended that the particular circumstances of the case before the Supreme Court justified the employer's unilateral withdrawal from the association.

The Supreme Court declined to review and thus made final decisions of three appellate courts in cases of interest to labor.

It let stand a ruling that makes it easier for shipyard workers to file personal injury suits based on illnesses resulting from on-the-job exposure to asbestos.

Because respiratory problems caused by asbestos often don't show up for many years, lawsuits have sometimes been blocked by the statute of limitations in the state where the suit is brought. But the 4th Circuit appellate court held that product liability suits could be brought by shipyard workers against manufacturers of asbestos products designed for maritime use under the "admiralty jurisdiction" of federal courts and thus were not foreclosed by time limits of state laws.

IN ANOTHER case, the Supreme Court denied the request of the Newspaper Guild and printing trades unions for a review of a 3rd Circuit Court of Appeals decision involving a suit brought by a struck newspaper publisher claiming compensatory and punitive damages from the unions, which published a community newspaper in competition with the struck publication.

A federal judge had dismissed the suit brought by the publisher of the Wilkes-Barre Times-Leader, who contended that the unions "wrongfully" induced employees to violate contract commitments that continued despite the labor dispute by working for a competing publication.

THE APPELLATE court decision, which now stands, does not deal with the merits of the case but allows the suit to go to trial.

By its refusal to review, the Supreme Court left final the 9th Circuit appellate court's dismissal of a suit brought by the Machinists in an attempt to bar OPEC nations from fixing the price of oil in violation of U.S. antitrust laws. The appellate court said OPEC's actions couldn't be challenged in U.S. courts.

The Supreme Court did agree to review a decision by the 9th Circuit court that allowed a local of the Carpenters to sue an employer association which sponsors management seminars promoting open shop and "double-breasted" operations in the construction industry. The union claims antitrust damages based on what it terms a conspiracy by association members to boycott subcontractors who have collective bargaining agreements with unions.

Pullback on Protection

OSHA Moves to Link Cancer Policy to Cost

The Reagan Administration is proposing to overhaul the Occupational Safety & Health Administration's policy on cancer-causing substances "to improve the cost-effectiveness of regulation."

In calling for a public comment period, OSHA Administrator Thorne G. Auchter contended that policy modifications are needed to take into account recent scientific developments and Supreme Court decisions on benzene, cotton dust and lead.

BUT UNION occupational health specialists charged that the proposal fits a pattern of reducing worker protections by allowing employers to use the cheapest possible safeguards while ignoring the long-term cost impact on workers who fall victim to occupational diseases and hazards.

"This is just another step in the Administration's approach toward the relaxation of regulations," AFL-CIO Industrial Hygienist Margaret Seminario said. She warned that the new policy would lead to a trade-off of more effective engineering controls for less effective personal protective equipment, such as respirators.

Seminario also questioned the Administration's contention that new scientific developments warrant the policy overhaul. She said there have been no significant developments since the original carcinogen policy was issued by the Carter Administration in January 1980.

THE POLICY shaped by the Carter Administration was bitterly opposed by industry groups as being too strict, while unions contended it did not go far enough to provide adequate protections for workers against cancer-causing agents. Both labor and industry have challenged the old policy in the courts.

In addition to proposing policy overhaul, Auchter proposed to stay publication of lists of cancer-causing substances workers encounter on the job.

The deadline for comments on the stay is Feb. 19; the deadline for comments on the policy overhaul is Apr. 5.

MORE THAN 250 substances used in workplaces have been identified as having cancer-causing potential. But since the carcinogen policy has been put in place, no standards have been developed on any of the suspected carcinogens.

The original OSHA cancer policy was first proposed in 1977 and generated more than 250,000 pages of public comment, as well as extensive opposition from employer groups.

When the policy was issued in 1980, former OSHA Administrator Eula Bingham pointed out that cancer claims the lives of some 400,000 Americans every year—or about 1,000 victims per day.

A primary concern of labor is the prospect that any future carcinogen policy will be tied closely to President Reagan's Executive Order 12291, which requires all federal agencies to clear proposed regulations with David Stockman's Office of Management & Budget. Unions have criticized the Executive Order as a "bargain basement approach" to workplace health and safety protections.

UNDER THE existing OSHA policy, substances are regarded as carcinogenic for humans if they cause cancer in laboratory test animals.

In preparing comments on the proposed overhaul, AFL-CIO Job Safety Director George H. R. Taylor warned that the federation will "certainly oppose any method by which animal studies are eliminated" from OSHA's carcinogen policy.

"You don't wait until you count bodies," Taylor stressed, alluding to epidemiological studies which count only proven human cancer. Cancer symptoms are usually not detected until 20 years after initial exposure to a carcinogen. Company doctors and industry-funded scientists have welcomed the proposed policy overhaul.

SEMINARIO SAID unions are especially concerned that any future carcinogen policy might incorporate the Supreme Court's decision on benzene, which generally favored the arguments of employers, rather than the court's cotton dust ruling, which reinforced the arguments of labor for engineering controls.

In the 5-3 decision on cotton dust, the majority of justices held that "Congress itself defined the basic relationship between costs and benefits by placing the 'benefit' of worker health above all other considerations, save those making attainment of this 'benefit' unachieveable."

But in citing the high court's benzene decision, Auchter said that OSHA was ordered "to consider all relevant evidence in demonstrating the significance of a risk prior to issuing a carcinogen standard."

The eventual carcinogen policy that OSHA comes up with, will likely have an impact not only on the job safety agency's regulations, but also those of the Environmental Protection Agency, the Consumer Product Safety Commission and the Food & Drug Administration.

FOREST RESTORATION resolution drafted at the International Labor Organization's timber industry conference is reviewed by President Keith W. Johnson, right, of the Woodworkers and John F. Simonds of the ILO Workers' Relations Service. The resolution stressed that reforestation is essential for the preservation and creation of jobs.

ILO Timber Industry Parley Calls Replanting Vital to Jobs

Geneva—Worker delegates at a timber industry conference of the International Labor Organization here won recognition that the replanting of forests is a "crucial factor" in assuring continued employment and the creation of new jobs.

Government and employer representatives at the 24-nation conference gave unanimous support to a worker-proposed resolution calling on the ILO Governing Body to include reforestation among the questions to be dealt with by the standing Woods Industries Committee it has decided to establish.

KEITH W. JOHNSON, president of the Woodworkers, and the worker members of the U.S. delegation hailed as a "promising development" the action of the ILO in giving this committee responsibility of activities previously divided between woodworking and timber industry bodies.

Addressing the conference's closing meeting, Johnson said the promise will be fulfilled if the Governing Body accepts the recommendation to include the renewal of forests in the new committee's terms of reference.

The head of the Woodworkers was speaking as the conference's worker vice chairman, a post that went with his election by his fellow trade unionists as the spokesman of their group.

THE 11-DAY timber industry meeting heard repeated expressions of "deep concern about accelerating forest depletion," Johnson recalled.

"This trend must be reversed," he emphasized. "The multinational corporations that move in to exploit forest resources" must remember along with everyone else that "we don't inherit the forest from our parents, we borrow it from our children."

Expressing the workers' satisfaction with the unanimous conclusions on safety and health problems and on employment and training in the timber industry, Johnson assured that "we on the workers' side are leaving Geneva with the firm intention of using the negotiated texts as a tool for social progress."

"We shall put them forward to support our claims in collective bargaining and in pressing for new social legislation," he stressed.

BECAUSE THE conclusions represented compromises reached with the employer and government delegates, Johnson told the conference that the workers were "looking forward to the cooperation of our bargaining partners when it comes to implementing policies at home."

Among the measures urged by the conference was the creation of councils to bring together trade unionists, government and employer representatives at national and local levels, to deal with occupational safety, health and training.

With forestry second only to mining as the most dangerous occupation, the conference stressed that one of the most effective ways to prevent accidents is to "remove or reduce hazards at source." It attached particular importance to the designing of safety devices into the multipurpose harvesting machinery and other equipment used in forestry.

Administration Denounced For Retreat on Civil Rights

(Continued from Page 1)

Aluminum provided. "I'm for that," he said.

But the President's statement was subsequently retracted by a White House press aide who said Reagan now agrees with the Justice Dept. contention that the 5-2 Supreme Court decision was wrong and that such plans could be invalidated.

Kirkland described the turnabout as "a slap in the face" to the Supreme Court, to minorities, and to all who hold that unions and employers can use collective bargaining to "accelerate elimination of the vestigies of centuries of racial injustice."

The decision to deny tax exemption privileges to groups that practice discrimination was adopted 11 years ago by former President Nixon, Kirkland noted, and its reversal by President Reagan is an "affront to racial justice." It will encourage further establishment of schools set up to perpetuate racial inequality, Kirkland charged.

AFTER THE outcry raised by the President's position, the White House said the Administration will seek congressional authority to deny tax exempt status to racially segregated private schools and colleges.

"The belated excuse that further congressional action is needed to authorize the denial of tax exemption to segregationist institutions is nonsense," Kirkland said. He noted that the Justice Dept. as recently as last September argued otherwise and court precedents make clear that "under present law, the United States cannot legally grant tax exemption to racially segregated private schools."

By opening up a new tax loophole for racist schools and those who contribute to them, the Administration is flouting both Congress and the courts, Kirkland charged.

HE LINKED these positions to "the Reagan Administration's efforts to water down the Voting Rights Act, its refusal to seek or enforce federal court orders for busing to desegregate schools, and its failure to oppose a pending bill to strip the Supreme Court of jurisdiction in such cases."

Taken together, Kirkland concluded, "these actions reflect contempt for racial equality and active approval and promotion of discrimination."

James Brownlow Dies Headed Metal Trades

James A. Brownlow, who retired in 1962 as president of the AFL-CIO Metal Trades Dept., died Dec. 22 at his home in Washington. He was 84 and had been in poor health since suffering a severe stroke three years ago.

Brownlow began his trade union career in 1926 as business manager of Plumbers & Pipe Fitters Local 3 in Denver. He also served as president of the Denver Building Trades Council and from 1937 to 1945 as secretary-treasurer of the Colorado AFL.

He was first elected president of the AFL Metal Trades Dept. in 1950 and continued to head the department after the 1955 merger with the CIO.

Survivors include his wife Louise, one son and five grandchildren. Services were held Dec. 24 and burial was at Cedar Hill Cemetery in Suitland, Md.

Gulf Settlement Sets Pattern in Oil Bargaining

(Continued from Page 1)

Oil and chemical contracts are negotiated locally and ratified in Denver.

DURING THE last bargaining round two years ago, the union struck the oil industry for the first time in 11 years. Even though the pattern settlement, again with Gulf, was reached 10 weeks later, the strike lasted an average of four months.

About 400 OCAW contracts with 98 oil refiners expired last week, but nearly all workers stayed on the job under an agreement with the Federal Mediation & Conciliation Service to work on a day-by-day basis. The OCAW local representing 3,500 workers at Texaco's main plant group in Port Arthur, Tex., was the only unit granted strike authorization by Goss. The key issue at Port Arthur is the company's pension policies.

MEANWHILE, workers at Cities Service's big refinery and petrochemical complex in Lake Charles, La., were in the process of ratifying an agreement similar to the Gulf settlement. Other companies, including Shell, Amoco, Arco, Ashland, and Texaco, have made similar offers but local issues have proved obstacles to agreement.

A Real Reagan Recession

IN THE YEAR since taking office, the Reagan Administration has produced the highest rate of unemployment among adult breadwinners in the entire postwar period. We are headed toward an absolute record for postwar unemployment with a White House team that offers no realistic hope for reversing this tragic trend.

The Administration's experiments with voodoo economics are a failure. It is too late now to blame the deepening recession on mistakes made by a previous Administration—we now have a real Reagan recession.

THE CHARACTERISTIC of this recession, which sets it apart from all others in modern history, is that the White House has no plan, no ideas, and apparently no interest, in trying to reverse the economy's downward plunge.

Instead, the Administration has reduced unemployment insurance benefits, training programs, and welfare programs at the same time it has put more people on the streets in search of such help. One has to look back 50 years to see such a heartless official reaction to the hardship and suffering of millions of unemployed Americans.

Now is the time to reverse directions. We must strengthen social welfare programs, not destroy them; create jobs with direct government action instead of waiting for the mirage of trickle-down policies to take hold; the Federal Reserve's fetish for money supply targets must be ended, interest rates lowered, and credit allocated to productive, job-producing uses.

THE UNFAIR GIVEAWAYS of the 1981 tax bill must be rescinded and corporations and rich individuals required to share the fiscal burden which has been shifted to working people and the poor.

The suggestion that needed revenue be raised through higher sales and excise taxes, which are unfairly weighted against workers and the poor, should be squelched. Any idea that the budget can be saved through some kind of value-added tax, which is nothing but another regressive sales tax, must be rejected. Instead, Congress should overturn the inequitable Reagan tax bill to restore fairness to the tax system and provide a revenue base adequate for the country's national security and general welfare needs.

—AFL-CIO President Lane Kirkland, Jan. 12, 1982.

Tax-Exempt Hate

THE REAGAN Administration is picking the pocket of every American taxpayer to subsidize racism in education.

Its new decision to confer tax-exempt status on schools and colleges that discriminate against blacks is no shift into neutral. It's a biased interpretation of the longstanding federal law that gives tax breaks to worthy charities and their contributors. The new Reagan rule is that a school with a racist admission policy is just as worthy a charity as a school that admits all races.

It mocks American charitable instincts, not to mention the Administration's calls for more voluntary, less coercive school desegregation.

—From a New York Times editorial, Jan. 12, 1982.

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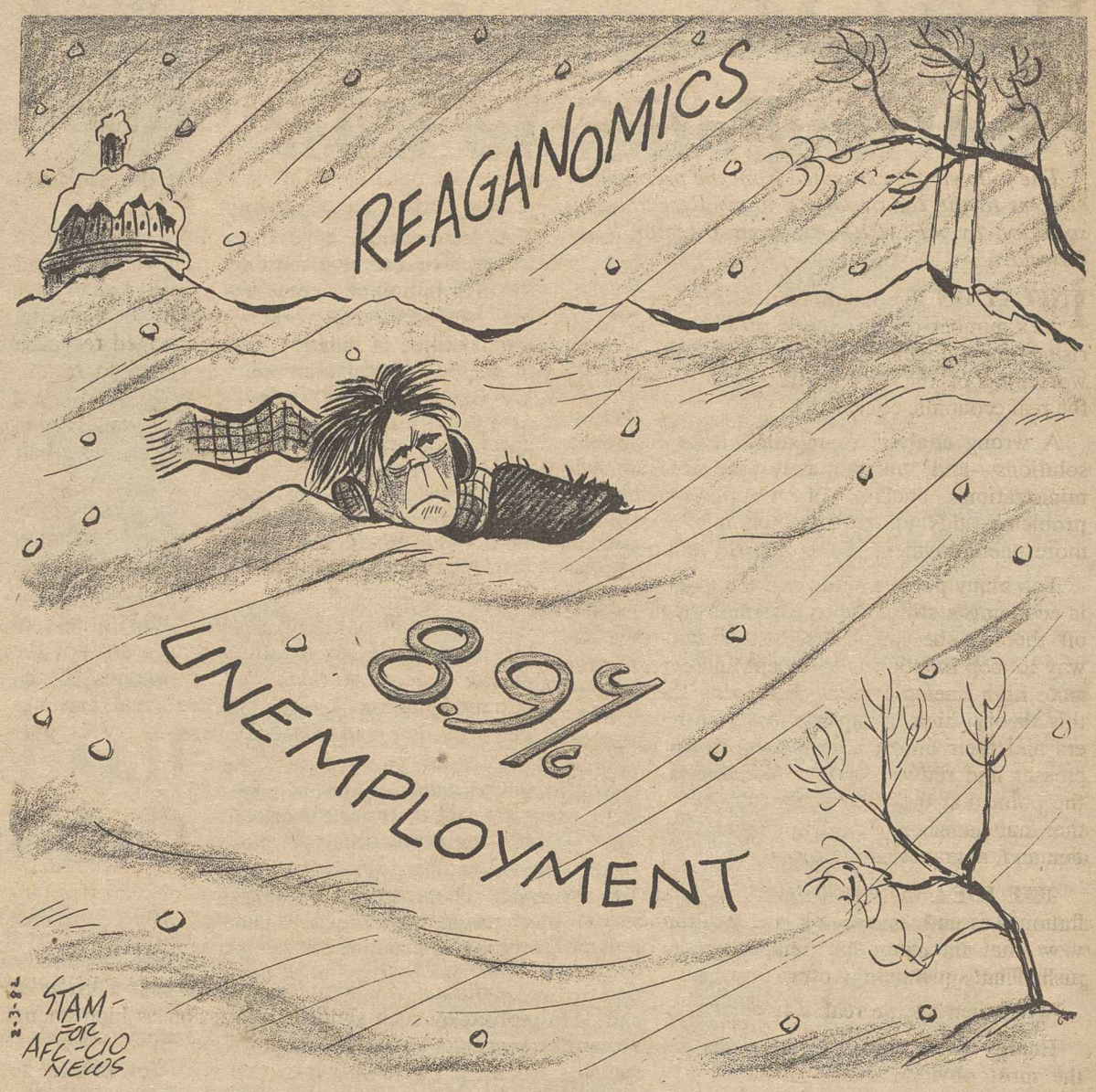

Resources to Meet Needs

Trillions in Hidden Assets Give Solid Support to National Debt

By Gus Tyler

IF YOU OWED someone $1,000 and you had $1,000 on hand, would you consider yourself bankrupt?

If you owed a trillion dollars and had assets worth seven trillion, would you feel poor?

These seemingly idle questions are suggested to set some thinking in motion about how "poor" or "bankrupt" Uncle Sam is at the moment. The queries are prompted by a piece of legislation backed by Sen. Charles Percy (R-Ill.) who would like Uncle Sam to give some thought to selling off some of his properties to raise some needed cash.

IN THE COURSE of discussing his proposal, Percy said that the value of all federal property "is likely to be much, much more than a trillion dollars; $7 trillion, at least, in my judgment."

If that is true then Uncle Sam can relax. The present total debt is about a trillion; the assets are seven times that amount.

Most of the assets are held in the form of land. According to a report from the General Accounting Office the government owns 744.1 million acres, which is about one-third of all the land in the country. In addition, Uncle Sam owns buildings, some 400,000 of them.

THE EXACT value of the land is not really known because it is customary for Uncle Sam to keep his accounts in accordance with the original purchase price of the property. Thus, 50 million acres in California are listed at the value of $21 an acre.

The Percy proposal seems to have the favor of the White House; the Office of Management & Budget is making a study. With Reagan and Congress looking for ways to balance the budget, don't be surprised if some of that precious land is sold.

In the rush to balance the budget, however, we ought not to lose sight of some of America's long time objectives: to conserve forests, to hold on to minerals we may need badly in the years ahead, to have a reservoir of farm land for the future as highways and cities pave over fertile soil.

THIS DOES not mean that Uncle Sam should never release present holdings. Indeed, in our search for alternate sources of energy, in the establishment of new towns and cities in places where such energy-creating facilities arise, Uncle Sam can play an epic role, making land available strategically and inexpensively to help America become energy independent, to hold down real estate costs, and to make new and affordable housing available to middle-class America.

We have the wealth, trillions of dollars worth of it. Let's not waste it; let's not sell it for a song to some private profiteer; let's use it to balance our budget and—more important—to balance the budgets of families going bankrupt under the cost of fuel and housing.

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A Solid Foundation For Building the News

With this issue of the AFL-CIO News, a new editor assumes the responsibility borne for so long, so ably, by Saul Miller. The transition has been made as easy as could be imagined by the grace of Saul and the warm assistance of the fine staff he assembled during his tenure.

My 30 years' experience as a reporter and foreign correspondent have taught me that all newspapers, large and small, have personalities. This newspaper has long been appreciated for upholding high professional standards of integrity and veracity while fulfilling its mission as the journal for organized labor.

With the continuing demise of general circulation newspapers, the responsibility of special publications like the News grows. We intend to build an even better newspaper on the strong foundation left for us by our predecessor.

We aim to publish an honest, good-looking and interesting newspaper that will serve the entire labor movement and a wider, interested readership. We invite our friends and critics to give our efforts their best attention. With the help of our writers and editors, we hope to make the News too important, and too good, to miss.

—Murray Seeger

Adding to Unemployment

Harmful Economic Policy Tied To Wrong Analysis of Inflation

The following is excerpted from the presidential address to the Industrial Relations Research Association by AFL-CIO Research Director Rudy Oswald.

INFLATION IS sometimes described as America's number one economic problem. But today rising unemployment, increasing poverty, and a worsening of the income distribution should be the real economic concerns.

A wrong analysis of inflation leads to wrong solutions—and, unfortunately, the Reagan Administration's analysis of America's economic problems adds up to the economic disaster of more unemployment and continued inflation.

Too many policymakers and too many academic economists still cling to a version of the trade-off theory—the long-discredited notion that the way to stop inflation is to accept and even to promote high unemployment. Following the logic of this theory, high unemployment will make workers and their unions afraid to push for wage increases and reduce workers' bargaining power to the point that they will accept pay cuts. This further cuts consumer buying power and weakens demand, aggravating the recession.

THE IDEA that lies behind this attack on inflation is essentially a simple-minded, tunnel-vision view that the cause of inflation is union wage push. That's just plain wrong.

What then are the real causes of this inflation?

Energy price increases were the biggest and the most obvious source of inflation. These increases were the result of the cartel policies of the major oil exporting nations and domestically of the decontrol policies and the extraordinary profits of U.S. oil and gas producers.

TIGHT MONEY and high interest rate policies of the Reagan Administration and the nation's central bank, the Federal Reserve, have been another key source of inflation. These tight money, high interest rate policies pushed up the cost of housing, construction, consumer credit, private investment, and public investment in basic economic infrastructure.

Health and medical care cost rose at extraordinary rates because of the lack of a rational health care system.

When unemployment jumped to 8.4 percent in November, the highest rate in six years, the Reagan White House informed the nation that "this is the price you have to pay for bringing down inflation." Unemployment is rapidly approaching 9 percent. Yet, the effect on inflation has been—and is expected to continue to be—only slight.

Because of the ineffectiveness of current anti-inflation policies and the obvious failure of "supply side" tax-cuts based on tight money, union wages are once again being cast as the scapegoat for the persistence of inflation.

Because prices have risen more rapidly than wages, workers' real earnings have declined and the distribution of income has become less equitable. Not only have workers' wages not been the initial source of inflation, but the lagged response of wages to price increases has failed to restore lost buying power. Workers have suffered a cut of 15 percent in their average after-tax buying power, their real pay, in the last three-and-a-half years.

Today's inflation problem will not be solved by suppressing wages. Any "devil" theory of inflation that establishes wage increases as the "devil" is clearly unwarranted.

Today's inflation fight should deal with the factors responsible for inflation. Wages are not the villain, indeed, workers are the victims of the current inflation. Unless workers' real earnings increase, they and their families will not be able to buy the goods and services that the economy is capable of producing. The danger for the 1980s may well be the lag in real wage income and purchasing power for most Americans while a small elite continue to prosper. In such a two-tier economy characterized by massive inequality in income distribution, the lack of balance assures continued troubles for the economy.

Inflation is a complex problem that will not be solved by such simple prescription as high unemployment or clamping down on union wage settlements. The only program with any chance to succeed is one that recognizes and attacks the many structural factors underlying the inflationary process.

THE BASIC PRINCIPLES behind the economic policies supported by the AFL-CIO are simple:

- Economic progress and social justice go together. Fairness and compassion are not in conflict with efficiency.
- Full employment is a moral, social, political and economic imperative.
- The attack against inflation must focus on the true causes of inflation.

Inflation in America today is not caused by excessive government spending nor can it be halted by cutting basic social programs and loading hardship on the weak and defenseless and tax breaks and tax loopholes on the rich. The tight monetary-high interest rate policies are aggravating inflation rather than curing it.

Restraining wages through government or engineered recessions diverts attention from the real causes of inflation and prolongs the adverse economic conditions. It also undermines free collective bargaining, the hallmark of a free society.

New Restriction Threatens

White House Plans Deeper Cuts In Jobless Insurance System

THE THREAT of a renewed push by the Reagan Administration for more deep cuts looms over the unemployment insurance system which already fails to help two-thirds of the nation's jobless workers, AFL-CIO Social Security Director Bert Seidman warned.

Noting that the Administration last year forced restrictions on unemployment compensation benefits that cut more than 600,000 long-term unemployed workers out of the program, Seidman said it may well try this year to expand those restrictions to benefits during the first 26 weeks of layoff.

He said that among the most severe of the new restrictions is the demand that applicants for extended benefits "accept a minimum wage job or lose their eligibility."

Cutting unemployment compensation at a time when the job market is shrinking is neither sensible nor just, Seidman declared on the network radio interview Labor News Conference.

"It makes no sense" to force highly skilled and professional workers to "take minimum wage jobs or starve," Seidman said. He pointed out that if skilled workers accept such jobs, "all of that experience, all of that training, go down the drain and the economy suffers because of it."

Seidman said that the recession with large-scale unemployment has put a tremendous burden on the state unemployment insurance funds that carry the basic 26-week protection program. As a result, he noted, there is a growing outcry from state officials and others close to the grass roots to adopt the recommendation of the National Commission on Unemployment Compensation that the federal treasury "share the extra financial burden during periods of recession."

THERE ALSO APPEARS to be growing congressional support for the proposal, which has had the backing of the AFL-CIO from the outset, he said.

"The root problem is jobs," Seidman asserted. But, he said, the President's campaign promise of more jobs has not been kept, and the unemployment rolls have swollen by more than a million in the last year.

By Press Associates, Inc.

THE WAY MOST pension funds are invested traditionally has been the domain of employers or their hired managers, such as banks and insurance companies.

But in recent years the question of how this huge reservoir of future retirement income is put to use has come under increasing scrutiny by organized labor and others.

It's easy to see why. Pension funds, which began growing rapidly after World War II, now total more than $600 billion, more than the 1980 federal budget. These funds today are the largest source of financing for U.S. corporations.

Since pension funds are the deferred wages of some 50 million workers, it follows that these workers ought to have a say in how their money is invested. It also makes sense to find ways to put some of these vast sums to work helping beneficiaries before as well as after they retire.

IRON WORKERS President John H. Lyons, who headed an AFL-CIO committee on pension fund investments, found that the funds frequently "are invested in companies which are among the most anti-union, which export workers' jobs to low-wage countries, which ignore workers' needs for health and safety protections, and in other ways hinder rather than help workers in the achievement of their most basic and legitimate objectives." Lyons concluded that "this situation must be turned around."

With this in mind, unions have been making increasing strides to secure a voice in the use of their members' pension funds.

Currently, less than 15 percent of private pension funds are subject to joint company-union control. The AFL-CIO has been working with its affiliates to help win contract guarantees for such joint administration of these funds, or at least the right to participate in decisions such as selection of fund trustees and investment managers, and determination of general investment policy.

UNIONS ALSO have been exploring ways in which pension funds might be used to help "reindustrialize" the nation's lagging basic industries, strengthen local economies and preserve jobs.

The building trades have been especially active. For example, a consortium of 20 southern California construction union pension funds has invested $100 million in residential and commercial-industrial construction projects.

The AFL-CIO is setting up a new investment trust fund to loan mortgage money for construction of rental and single-family housing using union labor. Money for the fund, a separate offshoot of the federation's Mortgage Investment Trust, will come from jointly administered pension funds.

Some public worker unions have been able to get pension funds controlled by state and local governments to set up special accounts to provide low-cost home mortgages and economic activity aimed at job creation. While some argue that the new investment criteria, sometimes called "social investing" or "alternative investing," is overly risky compared to traditional stock and bond investment, this argument holds little water.

TRADITIONAL investment policies over the years have provided "miserable returns" for pension funds, says Robert Georgine, president of the AFL-CIO Building & Construction Trades Dept. And Chemical Workers' President Frank D. Martino, whose union pulled its staff retirement fund away from an insurance company when it refused to give the union a say in its investment, said the union has done better managing the fund "than the insurance company has in the past 20 years."

While social investing sometimes has been hindered by state laws regarding pensions, lobbying by unions and other groups has produced more flexible laws in several states.

But much more work, including internal education, needs to be done if unions are to have an effective voice in the investment of pension funds.

A RENEWED PUSH for another round of budget cuts looms as a threat over the unemployment compensation system that already fails to help two-thirds of the nation's jobless workers, AFL-CIO Social Security Director Bert Seidman, center, warned on Labor News Conference. He was questioned by Calvin Zon, left, of Press Associates, Inc., and Michael Posner of the Reuters News Agency. The AFL-CIO produced public affairs program is aired weekly over Mutual radio.

Kirkland Offers Labor Alternatives

The following is excerpted from an interview with AFL-CIO President Lane Kirkland conducted in Washington, Jan. 12, 1982. Reporters questioning him were William Eaton of the Los Angeles Times, Warren Brown of the Washington Post, Jonathan Fuerbringer of the New York Times, Robert Greenberger of the Wall Street Journal, Drew von Bergen of United Press International and Merrill Hartson of the Associated Press.

KIRKLAND: . . . Congress should overturn the inequitable Reagan tax bill to restore fairness to the tax system and provide a revenue base adequate for the country's national security and general welfare needs.

Q: How would you undo the tax bill?

KIRKLAND: We proposed in February of last year that there be a tax credit for the amount of the social security tax, which would have given a better break to persons in income brackets up to $30,000. Since this credit would apply to both employer and employee contributions, one-half of it would have gone, in effect, to reduce the corporate share. In addition to that, we proposed corporate tax reductions through various approaches, such as accelerated depreciation, but on a targeted basis aimed at the objective that we've consistently been harping on to reverse the trend toward reindustrialization of our economy.

We thought that approach was sound then, and we think it is still sound. That is the program that we testified in support of during the hearings early in the congressional session this past year.

Again, this past September, at the time that the President called for new cuts in government services and programs, we proposed an alternative. Instead of the $16 billion additional amount in cuts that the President said he needed and demanded of the Congress, we proposed meeting that $16 billion goal by a couple of specific steps—capping the individual income tax break for '82 at $700 and eliminating the oil company and oil royalty owner tax breaks. Just those two steps would have recouped that full $16 billion that he was seeking at that time.

Q: What makes you think that they'll listen to it now any more than they did in the past?

KIRKLAND: I would be hypocritical if I suggested to you that I had exaggerated hopes that the Administration would embrace our position. But I believe we have a responsibility to do what the President has so often suggested—that those who don't agree with his approach ought to offer alternatives. We have from the beginning offered alternatives—alternatives that are derived, I think, from a quite different view of the role and responsibility of the federal government in a modern industrial society.

Q: What about the Congress? Do you feel that the current unemployment rate will have any effect in terms of changing their reluctance to go along with some of the things you're suggesting?

KIRKLAND: I trust that in the next session the condition of the country and the prospects for the future and the effect that the Reagan program has had on a broad cross-section of the American people—the adverse effect—will have persuaded members of Congress that there ought to be a responsible opposition, that responsible alternatives ought to be advanced and pursued. That was not the case in the first session where, as you will recall, we were equally critical of both the Democratic posture and the Republican proposals.

Q: Through the previous two or three months of unemployment, Reagan spokesmen have been characterizing that as the price one has to pay to get inflation under control.

KIRKLAND: I was reminded of what a long road they seem to have travelled from their campaign. The 1980 Republican platform accuses the Democrats of "trying to stop inflation with a recession, a bankrupt policy which is throwing millions of Americans out of work. We categorically reject this approach. Shutting down our nation's factories and throwing millions of people out of work leads only to shortages and higher prices." And that was also a frequently reiterated theme of the President's campaign speeches.

Q: Since your Dec. 2 meeting with the President, have you spoken about where he's going economically?

KIRKLAND: We spoke at that meeting about our concerns with the Administration's economic policy and expressed deep, principled disagreement with it. We suggested that at some point they even might become persuaded that their policies don't work, and that we stood ready to give them any assistance and advice that they might be willing to accept, pointing in an alternative direction.

Q: Are they taking you up on that?

KIRKLAND: No.

Q: Do you think they will?

KIRKLAND: I don't preclude it.

Q: Has anything tangible come out of that meeting, from your point of view?

KIRKLAND: Well, the President indicated that, in terms of the style and openness of channels of communication, he would like, as he put it, to "make a fresh start." He designated the Vice President as a point of day-to-day contact on any of the issues that trouble us. I think that's an improvement.

Q: Has that worked out?

KIRKLAND: Oh, yes. He's been accessible.

Q: You seem to feel, despite all this, that the Administration is not now heeding your alternatives, and you don't really expect them to?

KIRKLAND: That's right. I think they're on a course comparable to that of Mrs. Thatcher (the British prime minister). In the United Kingdom, they're taking the position . . . that steadfastness in the pursuit of error is required.

Q: What is your attitude toward deficits in the $100 billion range that are being projected for fiscal '82 and possible for '83 and thereafter?

KIRKLAND: Well, last February, when we attacked the budget and tax policies enunciated by the Administration we noted the very serious, grave downside risks of the presidential policy, and I will say frankly that at that time I could not have conceived of, perhaps in two or three years, its leading to the first $100 billion deficit in our history and a level of interest rates that we had not hitherto dreamed of. I could not have conceived of $200 billion dollar deficits projected for the end of the term. I would not have dreamed that the first $100 billion deficit would come so soon. It staggers me.

Having said that, let me make it clear that although the irresponsible tax cuts engineered and forced through the Congress by this Administration are contributing factors of that deficit, essentially the deficit is the product of unemployment. I am sure you are familiar with the estimate that each 1 percent unemployment equals a swing of $30 billion in the federal budget. That's the source of the deficit.

The only way that deficit is going to be met on a constructive basis is by national growth and returning to the pursuit of full employment. If you could get the level of unemployment down by 4 points, that would make up your $100 billion.

Q: So you are going to oppose any tax increases?

KIRKLAND: No, we pointed out in the beginning that we believe the entire tax program ought to be reexamined, that the approach embodied in the President's irresponsible tax bill of last year ought to be scrapped and a new approach taken that leaves the federal government with sufficient resources to do those things necessary to bring us back to the road to full employment. Under the current scheduled tax reduction, which I think over the term amounts to some $750 billion, there is a systematic stripping of the federal government of any capacity to meet its responsibilities, foreign and domestic, and that's a catastrophe, in both the large and smaller aspects.

Let me give you one little example: At a time when unemployment is reaching officially almost 9 percent—and we usually add a couple of points to that for the real unemployment measure, so we would regard it as 12.5 percent counting the discouraged workers and those involuntarily working part-time—the Administration is in the process of crippling the Employment Service. The Employment Service staff that operates the offices where people go to look for work around this country is being reduced from a level of 30,000 in fiscal year 1980 to 17,500 in fiscal year 1982. In that period 1,000 employment offices will be closed. The appropriations bill for fiscal year 1982 which was signed into law on Dec. 15 cut administrative expenses for both employment service and unemployment insurance activities by $264 million or 12 percent below the President's March budget. The Dept. of Labor intends to take the entire cut out of employment service administrative expenses. The allocations under that cutback went out to the states last Saturday, requiring a 29 percent reduction in fiscal year 1982 in Employment Service staff with a result of almost 10,000 state Employment Service staff losing their jobs this year and over 600 local Employment Service offices closing.

Q: On the question of collective bargaining concessions—should workers make these concessions this year? Are they just being bludgeoned into it? (Federal Reserve Board Chairman) Paul Volcker has been talking about nothing for the last year but that this is the way we're gong to bring down inflation: by reducing the rate of wage increases.

KIRKLAND: Well, I had a couple of conversations with Paul Volcker about that, and I think I've addressed some remarks to his arguments. It's a confession of the bankruptcy of his policies that he's reduced to blaming future wage negotiations for what he did last year. That's what it amounts to. It's scapegoat hunting. He feels the blowtorch on his tail, so he's trying to divert it to a popular target—the target that he can join in the hue and cry against.

The problems that this country faces are not the product of previous wage negotiations, and the problems this country faces—all of us face—are not going to be solved by this year's wage negotiations. The process of collective bargaining is one of give-and-take, and it's based on the particular economic environment that those negotiations occur in. I'm confident that the organizations representing working people in these industries again will carry out their responsibilities in a skilled and serious and responsible way. And it may involve some concessions. It may involve reciprocal concessions. All of them are determined through the democratic process—as far as the union side goes—in the multiple possibilities of the collective bargaining process. But the thing that is most clear, it seems to me, is that when people talk about give-back demands in negotiations, they forget what the people who don't have a union to fight for them are faced with. Think of what would happen if the employer had total discretion to squeeze it out of the workforce as he has in many areas of employment in this country. I think it reemphasizes the vital role of the trade union movement in affording working people a chance to have a voice in their own destinies.

Q: After the Solidarity Day protest, you said that the labor movement and other allies might have to do it again. Is another Solidarity Day protest in the works or possible?

KIRKLAND: We've got two or three different options. We've noted this year, '82, is an election year. In a democracy, the political process is one that's always available to us to change the direction in which the country's moving. We expect to try and do our level best to take full advantage of it this year. I expect that the energies that last year we devoted to that protest will be channeled in that direction, which means organizational work in the districts, precincts, and states throughout the country.

I continue to believe in the value of public manifestations of one's views. They are an exercise of the right to petition by rallies, demonstrations or any other way. And they're a very good, valid part of the educational process both for those to whom they're directed and for those who participate. I believe that all of those who worked and participated in the Solidarity Day rally will be a little more ready and a little more dedicated in carrying forward the objectives that day dramatized and highlighted.

Q: What do you think of the wisdom of these union leaders that have joined in with the Democratic Party in its Labor Advisory Council? There's still three years in the Reagan Administration.

KIRKLAND: That's not a departure from history. Even when the old AFL, before the merger, did not as a federation actively participate in the party process, there was a Labor Advisory Committee to both political parties. I regard this as the same sort of thing.

Q: Are you suggesting that this should be more of a bipartisan effort at this point?

KIRKLAND: I think every time I have responded to questions on what we were trying to do to make our role in political life more effective, I've indicated that we're prepared to play the same role in the Democratic Party and the Republican Party—that is to say, helping to organize a more effective presence on the part of those of our members that were registered in that party. We have had no response from the Republican Party.

Q: You refer to the National Accord. What sort of National Accord would you like to see with this Administration?

KIRKLAND: The National Accord (signed in the Carter Administration) laid out an agreed basis of combatting inflation in a fair way, of distributing the burden of austerity and resuming the path of national growth. One of its essential components was the proposition that everybody should bear the burden of austerity in accordance with their ability. The only ones exempted should be those at the lower end of the ladder, who know nothing but austerity and don't have any more to sacrifice.

Q: Assuming this Administration would be interested, would you advocate a similar arrangement?

KIRKLAND: If it's part of a program of fairness, along the lines outlined in that accord, we would play our part, bear our share of the load, take our share of the sacrifice. In other words, if someone asks us to walk a mile, we'll walk two miles with them.

Court Urged To Overturn ERA Setback

(Continued from Page 1)

Thirty-five of a necessary 38 states have voted for ratification of the amendment. The Idaho ruling, however, would permit five of the ratified states to rescind their votes.

The brief was filed to support NOW in its Jan. 8 appeal of a ruling Dec. 23 by Chief Judge Marion Callister of the U.S. District Court for Idaho in a case brought by the states of Idaho and Arizona. Callister's decision held that Congress did not have the power under Article V of the Constitution to extend its original deadline for ratification of ERA, and he ruled that states could reverse approval of an amendment any time before it was made valid by the necessary three-fourths majority of states.

THE AFL-CIO brief, joined by the Women's Legal Defense Fund and the National Women's Law Center, argued that Congress alone has the right under the Constitution to act both on the extension of deadlines and on a state's right to rescind its ratification. Article V, the brief pointed out, reserves the "mode of ratification" to the legislative branch.

A 1939 Supreme Court decision, the AFL-CIO noted, held that "the efficacy of ratifications by state legislatures . . . should be regarded as a political question pertaining to the political departments with the ultimate authority in the Congress."

The federation argued that Callister's decision was wrong in saying that Congress needed a two-thirds vote to extend the ERA deadline. Such a majority is required to propose an amendment, the brief said, but the language of the Constitution does not apply to the ratification procedures which can be decided on by Congress.

QUICK ACTION by the high court is essential, the AFL-CIO stressed, because the judge's decision, coming at a "critical season for ratification of the ERA," could provide a "decided political advantage" for opponents of the amendment "at the very time when the political processes should operate freely."

There are precedents for expedited action in emergencies, the AFL-CIO pointed out, including the 1974 Watergate tapes decision and the 1952 action after President Truman federalized steel plants.

CHALLENGES AND ISSUES facing the trade union movement were spelled out by AFL-CIO President Lane Kirkland in an interview with a panel of labor reporters. Participating in the session were William Eaton of the Los Angeles Times, Warren Brown of the Washington Post, Jonathan Fuerbringer of the New York Times, Robert Greenberger of the Wall Street Journal, Drew von Bergen of United Press International and Merrill Hartson of the Associated Press.

Kirkland Calls for Action by Congress To Halt Reagan Recession, Spur Jobs

(Continued from Page 1)

But tax inequities would be compounded, Kirkland stressed, if Congress were to turn for needed revenue to sales and excise taxes, "which are unfairly weighted against workers and the poor." He termed the value-added tax scheme "nothing but another regressive sales tax."

IN RESPONSE to questions, Kirkland noted that the AFL-CIO had originally proposed a social security tax credit and corporate tax subsidies targeted to strengthening the nation's industrial base as an alternative to the Administration plan. He reiterated the AFL-CIO's proposal to raise $16 billion in revenue through a $700 ceiling on individual tax cuts this year, and elimination of the extra tax breaks given to oil companies and owners of oil royalties.

A $700 ceiling on tax cuts would only affect persons earning more than $47,000 a year.

The huge budget deficits that have been projected are only partly the result of "irresponsible tax cuts engineered and forced through Congress by this Administration," Kirkland told the reporters.

Unemployment is the chief source of the deficit, he stressed, and full employment is the solution. "If you could get the level of unemployment down, that would make up your $100 billion."

BUT THE automatic tax cuts scheduled by law for future years would be a "catastrophe," Kirkland warned, denying the federal government the resources to meet both foreign and domestic responsibilities.

With unemployment officially at 8.9 percent—and in double digits if the discouraged job-hunters were counted—budget slashes are forcing the closing of hundreds of state employment offices and the layoffs of thousands of trained staff, Kirkland noted.

"THAT'S THE most basic and fundamental service that the Labor Dept. administers for people in trouble," he said. Delays and large errors in unemployment insurance payments will result, "and I say it's madness," he added.

Kirkland stressed the AFL-CIO's readiness to enter into the same type of National Accord with this Administration that it reached late in the Carter Administration—involving cordinated efforts by government labor and business to strengthen the nation's industrial base and assure that sacrifices required by austerity would be equitably shared, with no additional hardships for the poor.

In response to questions, Kirkland made it clear that the improved communication offered by the Administration and welcomed by the AFL-CIO after a White House meeting last month was not a comparable mechanism.

VICE PRESIDENT Bush, designated by Reagan as the key Administration contact with labor, has been accessible, as promised, Kirkland said. But the Reagan Administration has never been in doubt as to labor's views, and there is no indication that it is going to change a course that the AFL-CIO considers disastrous.

Kirkland said he anticipates that Congress will be more critical of the Administration program in the second session, starting Jan. 25, than in the first session because of a growing awareness of the harm done by the Reagan program.

"People in political life are responsive to what they perceive as tides of public opinion," Kirkland suggested, and the first-session record of Congress reflected a belief in the popularity of Reagan's presidency.

"IF THEIR perceptions haven't changed I think they're going to be in trouble," Kirkland said, because circumstances have changed "and what the people expect of their representatives certainly has."

Kirkland noted that Reagan was elected on a platform that specifically rejected the doctrine "that inflation can be reduced only by throwing people out of work." Kirkland contrasted that pledge with the response of a White House spokesman when the latest rise in unemployment was announced, "that unfortunately unemployment is the price we have to pay to get inflation down."

Kirkland said the problems of industries in economic difficulties haven't been caused by high wage rates, and the unions representing these workers are carrying out their collective bargaining role "in a skilled and serious and responsible way." In some cases, he noted, this may involve concessions or "reciprocal concessions" but the process is one which gives "working people a chance to have a voice in their own destinies."

FAR MORE of a factor than wage rates, he stressed, have been interest rates driven up by the Administration's monetary policy. High money costs have fueled inflation and are "undermining both the automotive industry and the housing construction industry, and all of those other collateral industries that depend upon them," Kirkland pointed out.

As for labor's follow-up to Solidarity Day, Kirkland told reporters that "the energies that last year we devoted to that project" will be channeled toward the congressional elections in November, with "organizational work in the district, precincts and states."

But for the future, "I continue to believe in the public manifestation of one's views . . . the right to petition by rallies, demonstrations or any other way."

CWA Asks Talks on 'Divestiture' Impact

The Communications Workers called for "prompt negotiations" with American Telephone & Telegraph Co. to address concerns of CWA members stemming from a pending divestiture settlement between AT&T and the Justice Dept.

At a special meeting, the CWA executive board also urged Congress to move forward on telecommunications legislation to protect employee rights and the interests of telephone company customers.

UNDER THE terms of the antitrust settlement, AT&T has agreed to relinquish ownership of 22 operating subsidiaries, which represent about two-thirds of the giant telephone company's $136 billion in assets.

CWA President Glenn E. Watts stressed that "many questions of profound importance to our members and to the general public remain unresolved" in the wake of the agreement.

"We continue to believe that the Congress, taking this development into account, must have the final word on the shape of the telecommunications industry as it enters a new era of competition and a revolution in technological advancement," Watts said.

CWA BOARD members voiced concern over the guarantee of contractual rights and job protections with the proposed breakup and restructuring of the Bell Telephone System. They noted that CWA will seek assurances on these issues, as well as on maintaining pension rights and benefits, in negotiations with AT&T.

The CWA represents more than a half-million of AT&T's 750,000 unionized workers. Another 120,000 are represented by the International Brotherhood of Electrical Workers, and the unaffiliated Telecommunications Union bargains for 60,000 AT&T workers.

Under the agreement, which had been quickly approved by U.S. District Court Judge Vincent P. Biunno in Newark, N.J., AT&T has six months to file a reorganization plan on how it will divest itself of the 22 local operating companies.

BUT JUDGE Harold H. Greene of the federal district court in Washington, D.C., said the seven-year-old anti-monopoly case could not be dismissed without a full judicial review and a 60-day public comment period involving interested parties as required under a 1974 law.

Although Greene was not critical of the settlement between the Justice Dept. and AT&T, he said he could not go along with the "judicial rubberstamping" that the 1974 law was intended to prevent.

While the agreement provides for AT&T to give up the 22 operating companies, the company is allowed to retain ownership of its Long Lines department, while picking up some long distance lines from the local companies, and hold onto its giant Western Electric manufacturing company and its Bell Laboratories research arm.

IN FILING the antitrust suit in 1974, the Justice Dept. accused AT&T of monopolizing the nation's telecommunications service and related equipment field.

The CWA board statement said the union will work for employee protection guarantees in legislation to amend the 1934 Communications Act, along with provisions to keep residential telephone rates from soaring when the local telephone companies are divested and are no longer subsidized by other AT&T enterprises, such as the long distance network.

THE CWA has negotiated national agreements with AT&T since 1974. Its current three-year agreement with the company would expire in August 1983.

The 22 operating companies to be spun off by the AT&T divestiture are: Pacific Telephone & Telegraph, Bell Telephone of Nevada, Illinois Bell, Indiana Bell, Michigan Bell, New England Bell, New Jersey Bell, New York Telephone, Northwestern Bell, Pacific Northwest Bell, South Central Bell, Southern Bell, Southwestern Bell, Bell Telephone of Pennsylvania, Chesapeake & Potomac Telephone of Virginia, C&P of Maryland, C&P of Washington, D.C., C&P of West Virginia, Diamond State Telephone, Mountain States Telephone, Ohio Bell and Wisconsin Telephone.

Retired Field Staffer James M. Scott Dies

Richland Hills, Tex.—James M. Scott, who retired in 1968 as an AFL-CIO field representative, died of cancer Jan. 1. He was 69.

Scott held a number of elected offices with Boilermakers Local 587 in Orange, Tex., before joining the AFL organizing staff in 1948. He retired from the AFL-CIO field staff after suffering a stroke.

Survivors include his wife Bobbi.

'Growing Tragedy'

8.9% Jobless Rate Near Peak for Postwar Years

Soaring unemployment induced by tight money and high interest rates and reflecting a deepening of the current economic recession rocked the nation last month, lifting the U.S. jobless rate to 8.9 percent of the workforce.

The December unemployment rate — half a percentage point higher than the November rate and 1.9 percent above the rate in July when the recession began — was within a tenth of a percentage point of the post-World War II high of 9 percent reached in May 1975 during the deepest downturn of the postwar years. Economists in and out of government say joblessness could approach 10 percent before the economy strengthens.

AFL-CIO PRESIDENT Lane Kirkland called the unemployment surge "a growing tragedy produced by Reaganomics which must be turned around to alleviate the suffering of the unemployed."

"We urge the Congress and the Administration immediately to enact programs to put America back to work, and to direct the Federal Reserve Board to release its stranglehold on the money supply and direct the flow of funds to productive uses," Kirkland said.

December's rise of five-tenths of 1 percent in the jobless rate was the fifth straight monthly increase. A year earlier, in December 1980, the unemployment rate was 7.4 percent. Since then, an additional 1.68 million Americans have lost jobs.

"PERSONS WHO lost their jobs as a result of layoff or permanent separation accounted for all of the December increase in unemployment," the Bureau of Labor Statistics noted in reporting on the employment situation. "There was little change in the number of unemployed persons who voluntarily left their last job or entered the labor force in search of work.

"As is typical during economic downturns, job losers have comprised most of the rise in unemployment since the beginning of the current slump."

Federation Sec.-Treas. Thomas R. Donahue, interviewed on NBC-TV's "Today" show before the latest figures were released, said blame for rising joblessness "has to be placed on the White House. We're operating under what is the White House economic plan."

DONAHUE SUGGESTED that the Administration return to public-service jobs programs and targeted job programs for the disadvantaged to ease the employment crisis. "All of those programs are being dismantled by the Reagan Administration," he pointed out. "It's inevitable that you're going to have this kind of unemployment."

Nearly 9.5 million workers were officially unemployed last month, an increase of 458,000 over the November level. Total employment fell by 937,000 to 97,188,000, contributing heavily to a 1.8-million decline since July. The workforce fell by 379,000, to 106,650,000, as the large employment drop exceeded the rise in unemployment.

Actually, the government statistics failed to show the true extent of joblessness since they do not account for so-called "discouraged" workers and workers employed only part-time because they are unable to find full-time jobs. When these workers are factored into the count, the AFL-CIO calculates that "true" unemployment last month came to 13.5 million, or an unemployment rate of 12.5 percent.

THE NUMBER of discouraged workers —persons who want to work but are not looking for jobs because they believe they cannot find any—rose by 150,000 in the fourth quarter of 1981 to 1.2 million, the highest level since the government began keeping such records, BLS said.

The number of persons working part-time "for economic reasons," as BLS puts it, meaning they could not find full-time work, rose 360,000 to a record 5.4 million. "Most of this increase occurred among those who usually work full-time but experienced a curtailment in their workweek," BLS reported.

The December job losses fell most heavily on the key bread-winners of American families. The unemployment rate for adult men, usually the last group to lose their jobs, soared to a postwar high of 8 percent from 7.2 percent in November.

The rate for full-time workers jumped from 8.1 to 8.7 percent over the month.

BOTH WHITE and black workers shared in the layoffs. The jobless rate for all white workers moved up to 7.8 percent, from 7.4 percent in November, while that for blacks rose from 15.5 to 16.1 percent. Teenage unemployment remained about the same, at 21.7 percent, but it was higher among blacks whose jobless rate was 39.6 percent last month.

Blue-collar workers, whose jobless rate rose by 1.1 percent to 12.9 percent in December, continue to bear the brunt of the economic downturn, but the recession has touched most other sectors as well. White-collar joblessness rose to 4.6 percent from 4 percent of the workforce over the 12 months ended in December.

THOUSANDS OF white-collar layoffs have occurred in the automobile industry, where the jobless rate rose to 21.7 percent in December from 15.6 percent the month before. Other workers have lost their jobs in the airline industry, in retailing, in small businesses, and in high-technology companies. Government employment, long thought of as immune from economic downturns, has declined steadily since President Reagan assumed office.

As BLS Commissioner Janet L. Norwood observed at a congressional Joint Economic Committee hearing, however, the greatest deterioration in the job market has taken place in heavy industry, particularly in the five major metals and metal-using sectors — primary and fabricated metals, machinery, electrical equipment, and transportation equipment.

JOB SAFETY and health issues were explored at a conference sponsored by two AFL-CIO departments. Discussing the program are, from left: George Hagglund, director of the University of Wisconsin's School for Workers; AFL-CIO Education Director Dorothy Shields, Occupational Safety & Health Director George Taylor, and George Daitsman, education director of the Allied Industrial Workers. The federation's Education and Safety & Health departments sponsored the conference.

GM Accepts UAW Proposal To Pass Savings to Buyers

Detroit—General Motors has agreed to an Auto Workers' proposal that any reduced labor costs resulting from current contract negotiations will be passed on directly to the consumer in the form of lower car prices.

"There will be no economic concessions to General Motors," UAW President Douglas A. Fraser said in Detroit, where the union has reopened bargaining with the Ford Motor Co. as well as GM.

"IF WE REACH an agreement which our members at GM believe addresses their problems, any concessions will go to the consumer, not to the corporation," Fraser said. "Lower prices for car buyers should stimulate the total car, truck, and van sales in the United States and benefit the entire domestic auto industry.

"Improved sales mean increased production, and that will result in many of the more than 120,000 UAW members on indefinite layoff at GM being recalled. When GM executives look across the table, we want them to see advocates on behalf of GM workers and also the consumers who buy the products we build. The price reduction must be large enough to be meaningful and in place for an extended duration."

Ford was set to consider the UAW proposal, which is part of a broader framework on which current bargaining talks will be based.

GM CHAIRMAN Roger B. Smith, making the first appearance ever by a GM board chairman during negotiations, said the company welcomed the union's "historic" plan, and was prepared to match any UAW concessions—"dollar for dollar" —with car price cuts. The cuts would be retroactive to midnight Jan. 12, and would be made in the form of rebate checks, he said.

Contracts between the UAW and the nation's major automakers do not expire until Sept. 14, but the union, faced with massive layoffs and continued slumping sales agreed to early contract talks in an attempt to revive the industry. The union said it hopes to be able to present contract proposals to its Ford and GM bargaining councils on Jan. 23, when they assemble at the annual UAW legislative conference in Washington.

Other elements of the union's bargaining framework include:

- Selection of an independent certified accounting firm jointly agreed to by the union and the automakers to examine corporate records to make sure that all cost savings are passed through to consumers.
- "Equality of sacrifice" by non-union GM employees, including top management.
- Job security proposals, particularly protection against the exportation of UAW jobs to overseas subsidiaries.
- An automatic return to economic provisions in the current GM contract.
- An open-ended contract with no expiration date.

FRASER AND UAW Vice President Owen Bieber noted in a statement that "nothing we do in these talks will mean the auto companies' difficulties are over. We hope—should an acceptable agreement be reached—that our efforts to force reduced car prices will stimulate sales and spur a recovery."

Food Stamp Rules for Strikers Protested

Proposed changes in food stamp eligibility rules are harsher on strikers and their families than Congress intended or the law requires, the AFL-CIO protested.

The federation urged the Agriculture Dept. to modify regulations it has drawn up to enforce food stamp cutbacks imposed by the last session of Congress.

The department's "most glaring error," AFL-CIO General Counsel J. Albert Woll and Attorney Janet Kohn wrote, is its method of determining the income status of a household that had been eligible for food stamps before the start of a strike.

PREVIOUSLY, strikers had been treated like any other applicants for food stamps, with their eligibility determined by a combination of household income and assets.

Over the labor movement's objections, Congress included in the budget-cutting resolution it adopted last year a ban on food stamps to strikers, with only one exception. The working poor—those receiving or eligible for food stamp assistance before a strike—would not lose their food stamp entitlement because they went on strike. But the amount of food stamps they would receive would not be increased as a result of loss of wages resulting from a strike, Congress decreed.

The AFL-CIO and its affiliates are protesting an Agriculture Dept. interpretation of the law change that could reduce or eliminate a food stamp recipient's benefits during a strike—even if his total income was down.

THIS WOULD be done by counting strike benefits and any part-time employment a striker might find as additional income—on top of the wages that the worker would have received from his regular job if he weren't on strike.

The AFL-CIO attorneys challenged the reasoning as irrational and "contrary to fact."

The intent of Congress was to prevent an increase in food stamp assistance because of a strike, and "not to reduce the allotment by making up a fictitious increase in income," they protested. A Senate committee report makes the intent clear, they asserted.

Woll and Kohn also associated the AFL-CIO with the detailed statement of objections to other portions of the regulations submitted by the Food & Commercial Workers.

UFCW VICE PRESIDENT Arnold Mayer, who submitted the union's statement, urged that the regulations be revised "to require the counting of either wages from the struck job or strike benefits plus temporary wages, whichever is higher. This would be consistent with the law and achieve the results that Congress intended," he wrote.

The UFCW also urged clarification of the definition of strikers affected by the change in law and said a striker who finds another full-time job should be eligible for assistance if he otherwise meets the need test of income and assets.

Correspondence about address corrections should be sent with attached mailing label to: Subscriptions, Room 209, 815 16th Street, N.W., Washington, D.C. 20006.

1/16/82

Nation's Output Down Sharply in 4th Quarter

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The nation's economy, mired in the depths of its second recession in two years, declined at an annual rate of 5.2 percent in the final three months of 1981, the Commerce Dept. reported.

Gross national product—the total value of all goods and services—rose slightly over the quarter to a seasonally adjusted annual level of $2.985 trillion in current dollars. Converting that figure to 1972 dollars to eliminate the effects of inflation, the government said "real" GNP totaled $1.496 trillion.

IT WAS the economy's worst showing since a 9.9 percent plunge at the deepest point of the 1980 recession, and confirmed the belief that the current downturn accelerated rapidly during the October-December quarter.

For all of 1981, inflation-adjusted GNP rose 1.9 percent, mostly due to an unusually sharp first-quarter gain at an annualized rate of 8.6 percent. The economy declined by two-tenths of 1 percent in 1980 and rose 3.2 percent in 1979.

Inflation throughout the economy, as measured by the GNP's "implicit price deflator," was 9.1 percent through all of last year, nearly the same as 1980's 9 percent rate. For the fourth quarter alone, however, prices showed some improvement, rising at an annual rate of 8.4 percent, compared with the third quarter's 9.9 percent rate.

The Commerce Dept. said decreases in final sales accounted for about two-thirds of the overall economic decline in fourth-quarter real growth. Analysts inside and outside the government predict that the current January-March quarter also will show a real GNP decline.

Meanwhile, signs of economic deterioration showed up in other government reports. The Federal Reserve Board said industrial production fell by 2.1 percent in December, the fifth straight monthly decline and the biggest since May 1980.

HOUSING STARTS last year plunged to a 35-year low despite a 13.3 percent rise in December. And personal income grew by only two-tenths of 1 percent last month, the smallest monthly gain since April 1980.

The recession also pulled the nation's

(Continued on Page 2)

Labor Presses Support for Poles

LABOR AND CITIZEN groups mass in the rotunda of the Minnesota state capitol at St. Paul for a full-employment rally sponsored by the State AFL-CIO. The 2,500 demonstrators, arriving by the busload, brought along 42,000 petition cards calling on the legislature and Minnesota's congressional delegation to initiate action to counter Reagan Administration economic policies and press for job-creating programs. Addressing the demonstrators is President David K. Roe of the Minnesota AFL-CIO.

Kirkland Calls on Unions To Join Jan. 30 Rallies

By James M. Shevis

The American labor movement threw its full weight behind the planned International Day of Solidarity with the workers of Poland and their independent unions, and called for a massive outpouring of support in their behalf.

"Jan. 30 offers an opportunity for us to join with other free trade union movements around the world in an unprecedented display of international labor support for our embattled Polish brothers and sisters," AFL-CIO President Lane Kirkland said in a letter to all affiliated unions and state and city central labor bodies.

KIRKLAND'S CALL is part of a worldwide appeal of the International Confederation of Free Trade Unions for workers everywhere to focus attention on martial law in Poland, imposed Dec. 13 by the military junta headed by Gen. Wojciech Jaruzelski.

The Brussels-based ICFTU called on its 130 affiliates to keep the glare of publicity on the suppression of Polish workers' rights until the Communists live up to the historic Gdansk agreement forged with Solidarity in August 1980 following a wave of strikes in Poland. The accord gave Polish workers the right to form independent unions, to strike, and to enjoy a measure of freedom never before allowed in a Communist-ruled country.

"As a member of the ICFTU, the AFL-CIO has pledged to participate in this effort and to undertake throughout the nation a series of activities to manifest our moral support for Solidarnosc (Solidarity) and the courageous struggle of the Polish people," Kirkland said.

AFL-CIO RALLIES and events are targeted in over a dozen big U.S. cities—Chicago, Boston, Pittsburgh, Cleveland, Buffalo, Washington, Minneapolis, Houston, New York, Milwaukee, New Britain, Conn., and two as yet undetermined on the West Coast—but are being encouraged in every community. The events are being planned by organized labor in cooperation with the Polish-American Congress (PAC), and various religious, civic, and ethnic groups.

The largest rally will be held in Chicago, the home of more ethnic Poles than any city outside Poland's capital of Warsaw. Scheduled speakers at the Amphitheater include Kirkland, Longshoremen's President Thomas W. Gleason, PAC President Aloysius A. Mazewski, and Msgr. George G. Higgins of Catholic University, who attended Solidarity's national congress last year.

THE RALLIES represent a continuation of those staged in December by American trade unionists immediately after the Polish government's harsh crackdown on Solidarity. The AFL-CIO has led the demand for release of Lech Walesa and other Solidarity leaders detained by the Communists and for resumption of government talks with Solidarity and the Roman Catholic Church, as well as an end to military rule.

The rally points also will serve to raise additional funds for the Polish workers and their unions, and to circulate petitions to the Polish government demanding the lifting of martial law. Petitions circulated by the AFL-CIO already have garnered the signatures of some 70,000 Americans.

Plans for the Jan. 30 events were drawn up at a meeting of AFL-CIO officials and leaders of national religious and Polish-American groups at federation headquarters in Washington. Participants included Tom Kahn, coordinator of the AFL-CIO Polish Workers' Aid Fund and an assistant to Kirkland; Mazewski; Msgr. Higgins; Dr.

(Continued on Page 3)

OSHA Scored on Plan For Voluntary System

By John R. Oravec

The Reagan Administration's proposal to set up a system of voluntary job safety and health programs threatens to further erode worker protections provided under federal law, the AFL-CIO warned in a sharp attack on the plan.

These and similar programs proposed by the Occupational Safety & Health Administration during the past year have "the common objective of keeping OSHA inspectors out of workplaces and curbing worker complaints," AFL-CIO Occupational Safety Director George H. R. Taylor charged.

TAYLOR DISPUTED OSHA Administrator Thorne G. Auchter's contention that the voluntary programs would improve protections against workplace hazards.

In announcing the proposal, Auchter maintained that workers would play a more active role in developing and implementing safety practices, while "employers would be better able to abate hazards more quickly and without undue government interference."

As outlined in the Federal Register, Auchter's plan calls for:

- Large industrial firms to set up management-worker committees which would establish safety and health rules leading to voluntary compliance.
- Periodic inspections of larger firms with "good safety records" would be eliminated.
- Most inspections would also be ended for smaller companies in low-hazard industries that have established voluntary programs.

TAYLOR POINTED out that the same proposals were a key component of the employer-backed OSHA reform bill sponsored by former Sen. Richard S. Schweiker that was killed in committee in 1980.

In effect, Taylor said, Auchter is now attempting to impose through administrative action OSHA amendments that supporters of the reform bill could not achieve in Congress.

(Continued on Page 6)

State Legislation Mixed for Labor

By David L. Perlman

Labor legislation wasn't high on the agenda of most state legislatures last year, and that may have been all to the good in terms of union concerns. The 1980 elections had tilted legislatures as well as Congress to the right even though Democrats retained party control in a majority of states.

A Labor Dept. survey of state labor legislation enacted in 1981, supplemented by trade union sources tapped by the AFL-CIO News, found both gains and retreats.

BILLS TO REPEAL prevailing wage laws—the "little Davis-Bacon Acts" that determine wage levels in state-funded construction—were introduced in 14 states.

The repeal effort succeeded in Utah, where a heavily Republican legislature was able to override the veto by a Democratic governor. The Republican strength gained in the last elections made the difference between the situation two years earlier when a similar veto was not overturned.

IN COLORADO and New Mexico, bills repealing prevailing wage protections passed the legislature but were killed by vetoes. On the other side of the coin, Rhode Island tightened its enforcement procedures by barring violators of the prevailing wage law from bidding on public contracts for 18 months. New York authorized penalties for wage law violators, in addition to back pay obligations.

The minimum wage was raised in five states through new legislation and moved up automatically in 21 other jurisdictions as a result of previously enacted laws. But most state minimum wage laws continue to trail the $3.35 federal minimum, some significantly.

Among the few exceptions are Alaska, where a previously enacted law pegs the state minimum 50 cents above the federal wage floor, and the District of Columbia, where minimums are set by wage orders based on occupation. Connecticut's minimum is two cents above the federal level.

CHANGES IN STATE unemployment insurance and workers' compensation laws are still being compiled and will be reported later.

Every legislature except Kentucky met during 1981, and most will be in regular session this year as well, so the legislative scorecard is only half complete.

(Continued on Page 2)

LABOR JOINS TRIBUTE to Martin Luther King, Jr., with delegations from area unions among thousands who marched Jan. 15 in a Washington, D.C., parade honoring the memory of the slain civil rights leader on what would have been his 55th birthday. The AFL-CIO convention in November endorsed federal legislation to set aside the day as a national holiday. It is now officially observed in nine states and the District of Columbia.

State Legislative Record Reflects Conservative Gains in '80 Elections

(Continued from Page 1)

These are among the legislative actions taken during the 1981 sessions dealing with direct labor issues:

Arkansas—Minimum wage for workers not protected by federal law raised from $2.70 to $2.80 an hour as of Jan. 1, 1982, and to $2.95 a year later. Tips can be credited for up to 50 percent of the minimum wage; previously the limit was $1 an hour.

California—Local public agencies were authorized to negotiate agency shop agreements. State public works contracts may not be awarded to a contractor who has been held in contempt of court more than once in the previous two years for failure to comply with a federal court order enforcing a National Labor Relations Board ruling. Law enforcement officers were banned from moonlighting as private security guards at the site of a strike, picketing or other labor dispute in the jurisdiction where they are employed.

The legislature adopted a "comparable worth" policy for setting salaries for state jobs held primarily by women. Ceiling on pay to prison inmates for productive work was raised from 35 cents an hour to one-half the minimum wage. Employers must now give written assurance to employees or job applicants asked to take polygraph tests that they need not do so in order to get or keep a job.

Colorado—Republican legislature voted to repeal the state prevailing wage law, but veto by Democratic Gov. Richard Lamm saved it.

Connecticut—The existing ban on sex discrimination in employment was strengthened to cover discrimination related to pregnancy. Legislation also toughened enforcement of a law requiring that workers be informed of any cancer-causing substances in the workplace. A labor-management-government committee was established to consider plant-closing problems and recommend legislation to deal with them. Parties to a labor dispute were barred from hiring local police officers for duties related to the dispute.

Hawaii—The state's fair employment practices law was extended to cover public employees and to include a ban on discrimination related to pregnancy. Hawaii's agency shop requirement for public employee bargaining units was amended to include a requirement for checkoff of amount equal to dues from the pay of non-members, provided the union involved allows a refund to non-members on request of any portion of the payment used for political or ideological activities not related to conditions of employment.

Louisiana—An employer who retaliates against a worker who reports or complains of environmental hazards can be sued for triple damages plus attorney fees and court costs.

Maine — Collective bargaining rights, previously accorded to most public employees, were extended to county employees. Penalties were imposed for failure to inform workers about chemical hazards they may encounter. Employers were barred from deducting losses on bad checks or cash or inventory shortages from pay of workers. Employers of 100 or more workers must notify employees and city officials at least 60 days before relocating an establishment out of state.

Michigan—The right to obtain public or private employment without discrimination because of handicap is declared a civil right under state law.

Minnesota—The state law requiring open meetings of public bodies was amended to allow closed sessions to set strategy for labor negotiations. But tape recordings of the sessions must be made available to the public after negotiations are completed and a contract signed.

Mississippi—The law restricting hours of work for women employees to 10 hours a day or 60 hours a week was repealed.

Missouri—The previous limit of 8 hours a day work in mines, smelters or chemical manufacturing was lifted if the employee consents.

Montana—The state minimum wage was increased from $2 to $2.50 an hour last July, and will rise to $2.75 on July 1, 1982. The minimum that can be paid to a farm worker in lieu of the hourly rate was raised from $460 to $575 a month and will go to $635 next July.

Nevada—The state prevailing wage law was amended to exclude construction contracts under $4,000 and emergency work needed to cope with disasters. Polygraph examiners were barred from inquiring into union, political or religious affiliations. The age discrimination ban, previously unlimited, is now restricted to ages 40 through 69.

New Jersey—The minimum wage was raised to match the federal level of $3.35 an hour.

New Mexico—A conservative coalition pushed repeal of the prevailing wage law through the legislature, but Gov. Bruce King (D) vetoed the action and it was not overridden.

North Carolina—The state minimum wage was raised from $2.90 to $3.10 as of Jan. 1, 1982, and to $3.35 on Jan. 1, 1983. The law was made applicable to employers of three or more workers, down from the previous four or more.

Collective bargaining for public workers had previously been prohibited by state law. The legislature added to the law a prohibition against public employee strikes, although the version finally enacted was less punitive than originally proposed. A voluntary dues checkoff was authorized—but only for membership in a state employee association located in North Carolina which has at least 5,000 members and does not engage in collective bargaining.

Ohio—The ban on sex discrimination was expanded to include pregnancy.

Oklahoma—The state Civil Rights Act was amended to include protection of handicapped workers and job applicants. Principals and assistant principals in school districts serving 15,000 or more pupils were recognized as a separate unit for collective bargaining. Municipal employees are now allowed to participate in political activities during off-duty hours if not in uniform and if not prohibited by the city charter or federal law.

Oregon—The state wage-hour commission may no longer set a subminimum wage for persons over 65, and the maximum age for protection against wage discrimination was raised from 65 to 70.

Rhode Island—Guaranteed call-in pay was reduced from four hours to three hours. Violators of the prevailing wage law will be barred from public works contracts for 18 months, and the discrimination ban was extended to mental as well as physical handicaps.

South Carolina—Payroll deductions in the public sector are allowed only for charities and credit unions; labor organizations are specifically banned.

Tennessee—A state employee who participates in or encourages a work stoppage will be permanently barred from participation in a dues checkoff. A state law prohibiting most work on Sunday was repealed.

Texas—The use of short-handled hoes was prohibited in commercial agriculture, except for greenhouses or nurseries.

Utah—For the second time in two years, the Republican-controlled legislature voted to repeal the state's prevailing wage law and Democratic Gov. Scott Matheson vetoed it. But this time the veto was overridden and the "little Davis-Bacon Act" was repealed last March.

West Virginia—The minimum wage was raised from $2.75 an hour to $3.05 as of Jan. 1, 1982. The Human Rights Act was amended to prohibit discrimination in employment, public accommodations and housing on the basis of handicap. Employers of 10 or more must post notices of hazardous chemical substances used in the workplace.

CLINTON FAIR MEMORIAL

The family of Clinton M. Fair, retired AFL-CIO legislative representative who died Jan. 6, has suggested that memorial tributes to him be made in the form of contributions to the St. Ignace, Mich., Historical Society. They may be sent directly to the organization at St. Ignace, Mich. 49781.

IUD Warns Of Danger to Industry Base

America's future as an industrial power is in danger, threatening both the economy and the nation's defense capability, the AFL-CIO Industrial Union Dept. warned.

"Some industries that only a few years ago were world production leaders are now operating with skeleton workforces, and spending their limited resources on staving off bankruptcy," the IUD executive council observed in a resolution adopted at a one-day meeting in Washington.

"MANUFACTURING employment, once the mainstay of the American labor market, is likely to account for less than 20 percent of all employment in the 1980s," the resolution pointed out. "This is a revolutionary shift from the post-World War II era, when 40 percent of all private employment was in the manufacturing sector.

"If we continue on our present path, we are likely to become an economy that can supply nothing but services and agricultural products."

The IUD warned that without a significant industrial base, the United States will not be in a position to mobilize its resources in a national emergency.

TO BRING a halt to the attrition of American industry and to restore the competitiveness of the U.S. manfacturing sector, the department urged a multi-faceted program that would include tax policies to promote domestic industrial growth and discourage U.S. businesses from going abroad, implementation of monetary policies to provide a growth-oriented level of credit at reasonable rates and direct scarce credit resources to productive purposes, and greater utilization of worker skills and experience, within the framework of collective bargaining, to improve productivity.

In another resolution, the IUD called on Congress for legislation to safeguard the health of workers from toxic agents in the work environment. Such legislation should include notification, counsel, and medical assistance for those at high risk of environmental disease.

As many as 8 million workers may be at high risk of developing cancers from workplace health hazards, the IUD observed. These include pesticide, dye, shipyard, coke oven, rubber and plastic workers, painters, printers, molders, miners, and workers in dozens of other trades.

Two new members were elected to the IUD Executive Council at the meeting, Auto Workers President Douglas A. Fraser and Rubber Workers President Milan Stone.

Slump Worsens As Output Drops In 4th Quarter

(Continued from Page 1)

factories down to 72.9 percent of their capacity in December—below the rate of the 1980 recession and the worst since July 1975. The auto industry, which has been in a state of depression for some time, operated at below 50 percent of capacity, the Federal Reserve Board reported.

In other economic reports, the Japanese government said that it had achieved a record trade surplus with the United States last year of $13.4 billion, nearly twice as high as in 1980. The trade imbalance resulted from brisk exports of Japanese automobiles, tape recorders, and other goods while Japan kept down imports.

The December report on industrial output of the nation's factories, mines, and utilities was further evidence that the recession, which began in midsummer, has not yet bottomed out.

The report showed that output of raw materials fell more than twice as much as output of final products for the third consecutive month. The only advance was in defense and space-related goods.

Posthumous Award

JLC Cites Wurf's Role In Human Rights Effort

New York—Jerry Wurf "was always on the cutting edge of democratic social change," AFL-CIO President Lane Kirkland declared at a banquet honoring Wurf with the Labor Human Rights award of the Jewish Labor Committee's National Trade Union Council.

The award dinner planned before Wurf's death on Dec. 10, became a memorial tribute to the late president of the State, County & Municipal Employees.

PRESENTING THE annual award to Wurf's widow, Mildred, Kirkland cited Wurf's lifetime of "active concern for the victims of repression and hate." He recalled that this concern drove Wurf into AFSCME's "historic struggle on behalf of Memphis sanitation workers seeking dignity in the refuge of trade unionism" and into "one organizing campaign after another producing an explosive growth in public sector trade unionism" as well as into support for Israel and the solidarity trade union movement in Poland.

"Passionate advocacy was his hallmark. Jerry Wurf was a fighter, and you always knew where he stood," Kirkland told the gathering of 800 national and local union leaders and AFSCME members. Past recipients of the award have included Kirkland, George Meany, I. W. Abel and Albert Shanker.

Gerald McEntee, who succeeded Wurf as AFSCME president, pledged "no retreat" from the course on which Wurf had set the million-member union.

"JERRY WURF was among the most fortunate of human beings," said McEntee." In 41 years of serving and shaping this nation's labor movement, he never lost that fire in his heart. He never had to search for indignation against injustice; it walked with him as an old companion."

JLC President Don Slaiman, deputy director of the AFL-CIO Dept. of Organization & Field Services, called Wurf an "irascible organizer" who believed strongly in the "democratic values so important to the Jewish community and the trade union movement."

SLAIMAN introduced the evening's "surprise guest," the former Polish Ambassador to Japan, Zdzislaw Rurarz, who spoke to the audience in a videotaped message.

Rurarz, who had defected to the United States only two weeks earlier, charged that the military takeover of Poland had actually been planned months in advance to hit during the cold weather and peaceful spirit of the holiday season.

The Solidarity movement, he said, was "a genuine workers' movement that hoped one day to win democracy and freedom" in Poland.

KIRKLAND RESPONDED by describing Ambassador Rurarz as "a man of conscience, whose bravery and loyalty to the workers of his country spring from the same values that shaped the early leaders of the Jewish Labor Committee."

Kirkland said the military junta ruling Poland is "stirring up the cesspool of anti-Semitism. It is to Solidarity's everlasting credit that it clearly understood the purpose of this odious game just as American unions, and certainly Jerry Wurf, understood the use of racism by reactionary employers to divide workers.

"The AFL-CIO wants for Polish workers all the rights enjoyed by American workers. We have therefore urged upon the Reagan Administration the imposition of strong economic and political sanctions against the Soviet Union. We welcome the actions announced by the President as a first step."

HUMAN RIGHTS AWARD of the Jewish Labor Committee was presented posthumously to Jerry Wurf, the late president of the State, County & Municipal Employees. Accepting the award in New York is his widow, Mildred. Others, from left are JLC President Don Slaiman, AFL-CIO President Lane Kirkland, Sec.-Treas. Thomas R. Donahue, AFSCME President Gerald W. McEntee and Wilbur Daniels, chairman of the JLC National Trade Union Council.

Jan. 30 Rallies To Show Support For Polish Union

(Continued from Page 1)

David Preus of The American Lutheran Church; Rabbi Alex Schindler of the Union of American Hebrew Congregations; Ronald Kreitemeyer, director of the Office of Domestic Social Development of the U.S. Catholic Conference; Director Alan Kistler and Deputy Director Donald Slaiman of the federation's Dept. of Organization & Field Services.

A SEPARATE rally in support of the Polish workers involving U.S. trade unionists took place Jan. 21 at the Soviet consulate in San Francisco. Speakers included AFL-CIO Sec.-Treas. Thomas R. Donahue, Executive Sec.-Treas. John F. Henning of the California State AFL-CIO, Andrew Guzoarski of the Polish-American Congress, and Sec.-Treas. John F. Crowley of the San Francisco Labor Council.

President Reagan has issued a proclamation designating Jan. 30 as "A Day of Solidarity with the People of Poland," and the U.S. International Communication Agency plans to beam a television special on the ICFTU-sponsored events around the world via satellite on Jan. 31.

In related developments, 11 international trade secretariats linking free unions around the world—including many AFL-CIO affiliates—issued a statement condemning the summary trials and imprisonment of Polish trade unionists for exercising their basic rights under the Universal Declaration of Human Rights, various conventions of the International Labor Organization, and the 1975 Helsinki Final Act.

"SOLIDARITY WAS born and exists primarily as a trade union even if it was obliged to carry other hopes and aspirations of the Polish people," the ITS representatives said following their general conference in Geneva, Jan. 12-13.

"Therefore, there rests a responsibility on the shoulders of trade unions throughout the world to continue to support the struggle of the Polish workers to regain their freedom and trade union organization.

"We shall do all in our power to help them regain their independence, for the sake of Poland's workers as part of our struggle for the emancipation of working people throughout the world."

Inter-American Director Andrew C. McLellan Dies

Alexandria, Va.—Andrew C. McLellan, for 20 years the AFL-CIO's principal representative with the unions of Latin America and the Caribbean, died Jan. 17 at his home here.

McLellan was 70 and died six days after he won a landmark Virginia court ruling on his right to die with dignity by being detached from life support systems for both breathing and kidney functions at Alexandria Hospital.

AFTER 25 YEARS of working for the rights of Hispanic Americans in Texas, McLellan came to the AFL-CIO in 1960 as associate inter-American affairs director and became director in 1962. He served as a member of the executive board of the Inter-American Regional Organization of Workers (ORIT), headquartered in Mexico City and on the Trade Union Technical Advisory Committee of the Organization of American States. He authored numerous articles and pamphlets on labor questions throughout the hemisphere.

"To generations of workers struggling to organize and to overcome political and economic oppression, he was a messenger of hope and freedom, a trusted symbol of all that is best in the country and the labor movement that he loved," AFL-CIO President Lane Kirkland and Sec.-Treas. Thomas R. Donahue said in a message to his wife, Gloria.

Born in Fife, Scotland, in 1911, McLellan went to Canada in 1926 and to Texas in 1934. He was active in Local 229 of the Meat Cutters & Butcher Workmen, now part of the Food & Commercial Workers, and retained that membership to his death.

McLELLAN BECAME legislative director of the Texas AFL after World War II army service in the Pacific theater. As an expert on the conditions of Chicanos in the South of Texas, he spent two years, 1949 to 1951, traveling to remote corners of Mexico for an international commission on hoof and mouth disease. From 1954 to 1960 he was inter-American representative of the International Union of Food, Drink & Allied Workers, a trade secretariat with headquarters in Geneva.

He came to Washington in 1960 as assistant to Serafino Romualdi, whom he succeeded as the AFL-CIO's inter-American representative in 1962.

A memorial service will be held at 1 p.m., Jan. 24, at the Grace Episcopal Church in Alexandria.

In addition to his wife, McLellan is survived by two sons, William and Andrew. The family asks that memorial tributes be in the form of contributions to the Hospice of Northern Virginia, 4715 N. 15th St., Arlington, Va. 22205.

March of Dimes Panel Includes 14 Unionists

White Plains, N.Y.—Fourteen officers of AFL-CIO organizations have been named to the national labor advisory council to the March of Dimes Birth Defects Foundation.

March of Dimes President Charles L. Massey in announcing formation of the council said it will meet regularly with the foundation's national officers "to help encourage, promote, carry out and to assist with their expertise and advice the projects of the March of Dimes."

The members of the advisory council include AFL-CIO Sec.-Treas. Thomas R. Donahue; Sol C. Chaikin, president, Ladies' Garment Workers; John A. Gannon, president, Fire Fighters; John Kelly, president, Office & Professional Employees; William Lucy, secretary-treasurer, State, County & Municipal Employees; Charles H. Pillard, president, International Brotherhood of Electrical Workers; Vincent R. Sombrotto, president, Letter Carriers; John J. Sweeney, president, Service Employees; Martin J. Ward, president, Plumbers & Pipe Fitters; William W. Winpinsinger, president, Machinists.

Also, John F. Henning, executive secretary-treasurer, California AFL-CIO; Harry Hubbard, president, Texas AFL-CIO; Robert A. Georgine, president, AFL-CIO Building & Construction Trades Dept.; and Joyce D. Miller, president, Coalition of Labor Union Women.

Rosy Statistics Color Reagan's Assessment Of First Year

President Reagan might have been better briefed by his aides before boasting of how employment has increased in his first year of office. His figures were way off, and the correct statistics are nothing to boast about.

Reagan told reporters at his Jan. 19 news conference that there are now a million more people working than there were just before he took office.

A look at the monthly reports issued by the Bureau of Labor Statistics would have showed him that in December 1981 there were 97,188,000 Americans with jobs compared with 97,282,000 a year earlier—a net decline of 94,000 jobs.

In January 1981, employment had risen to 97,696,000. It continued upward to 99,235,000 in May 1981, but declined steadily through the year as the recession took hold.

Reagan also said the rise in unemployment the past year was a continuation of a trend that began before he took office. But the record shows he was wrong on that point, too.

Unemployment was 7.6 percent in July 1980 and by January 1981, when Reagan took office, it had declined to 7.4 percent. The jobless rate continued to decline until July, when it reached 7 percent, and then began to rise until it hit 8.9 percent in December, just shy of the post-World War record. The rate may well exceed 9 percent this month.

The day after his press conference, Reagan publicly corrected himself saying the figures he used on the number of people working were wrong. But he stuck to the basic assumption that more people have jobs now than when he took office.

Are You Better Off?

THE QUESTION that President Reagan kept asking the voters during his campaign for the presidency—"Are you better off than you were four years ago?"—has come back to haunt him.

A year after his inauguration, the inevitable question is whether we are better off than we were before the Reagan Administration.

At the Jan. 19 White House news conference, it was the Reagan record that was being scrutinized. The President had an opportunity to defend it, and he flubbed badly.

He was asked about the steep rise in unemployment over the past year, about the 9 million of his fellow Americans who were looking for work and not finding it.

HE WAS REMINDED that even formerly staunch supporters in Congress were complaining publicly of Administration tax proposals that "hurt the little guy and give a bonanza to big corporations."

And the President was asked directly: "What are you going to do about the people who are undergoing great hardships now? And how is it possible for you to propose deep cuts in the social programs in view of all this suffering?"

Almost every sentence Mr. Reagan spoke in reply had to be corrected or somehow explained away.

The rise in the unemployment rate did not date from the Carter Administration. It was on a down curve when President Reagan took office; it rose under his stewardship from 7.4 percent to 8.9 percent. There are 1.7 million more persons out of work than a year ago. No matter how you juggle statistics, fewer people are employed today—not more, as the President claimed.

Mortgage interest rates have gone up, not down, under the Reagan presidency. The inflation rate has indeed slowed. But wages have slowed even more, and the buying power of the averag worker's paycheck is down 3 percent from a year earlier. It's down to zero, of course, for those without jobs.

MR. REAGAN would have us believe that the only casualties of the changes in social programs were those who were "unfairly" getting benefits.

To give it the most charitable interpretation, the President is grievously misinformed.

His Administration has wiped out 250,000 public service jobs and drastically slashed the job training programs designed to help America's most disadvantaged.

Virtually nothing has been left of the trade adjustment assistance that was supposed to help workers whose jobs were wiped out by imports. The jobs are still being wiped out. So are the savings, homes and hopes of the workers.

With unemployment near a postwar high, the Reagan Administration has taken away extended unemployment benefits and denied funds for public works programs that helped pull the nation out of earlier and less serious recessions.

EVEN THE resources of state employment offices have been chopped back, forcing the closing of some 2,000 job-finding centers across the country at a time when the need is greatest.

Are Americans better off after a year of the Reagan presidency?

No, Mr. President. No way.

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THOMAS R. DONAHUE, *Secretary-Treasurer*

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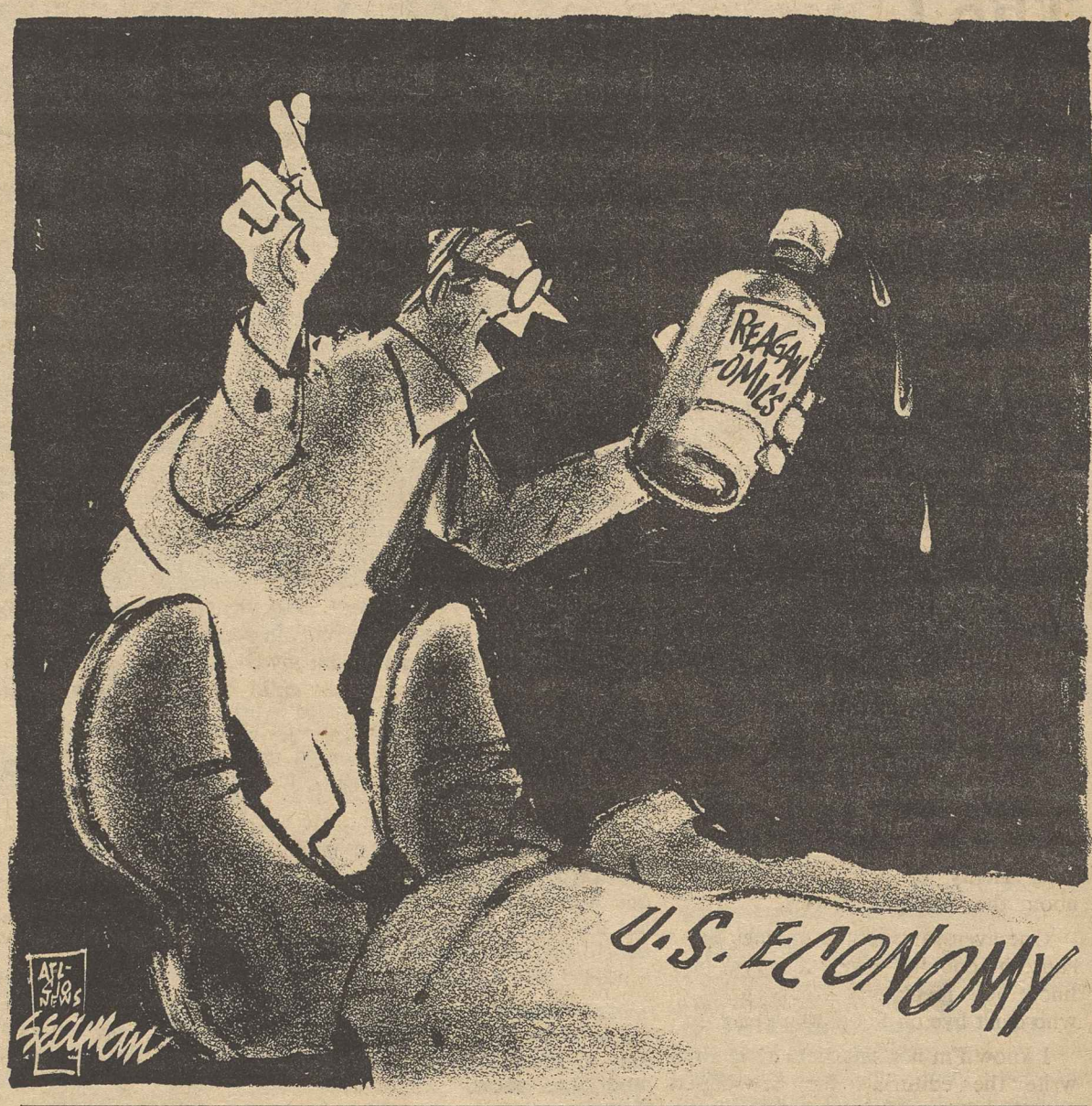


Credit Crunch for Steel

U.S. Banks Play Critical Role In Shifting Production Overseas

By Gus Tyler

AMERICAN BANKS, like American industrial corporations, are no longer American in an economy that has become more and more global. Consider this case for a provoking example of what this means for the United States:

An American steel company comes to an American bank for a loan. The reason? The steel producer wants to modernize its plant to make it more competitive against a Japanese rival. The bank refuses the loan.

ABOUT THE SAME time, a Japanese steel producer comes to the same bank to request a loan. The reason? The Japanese producer wishes to expand its facilities to grab a bigger piece of the American market. The bank grants the loan.

Why does the bank act this way? Not because it is anti-American or pro-Japanese. The bank has only one motive: to get the biggest and fastest return on its money. The American steel company has been in decline; the Japanese has been on the incline. The smart money goes for the more highly touted horse from the Orient.

The above case is neither imaginary nor isolated. In a study prepared for the Joint Economic Committee of Congress, Robert B. Cohen, a professor with the Division of Urban Planning at Columbia University, noted: "Several of the largest U.S. banks played a key role in lending to Japanese steel companies (in the 1970s), increasing their outstanding loans more than threefold over a two-year period."

COMPARING THESE loans to the Japanese steel producers with those to American companies, Cohen continues: "The pattern described above appears to indicate that there may have been a curtailing of access to credit by certain large U.S. steel companies during the 1970s based on their credit-worthiness and much easier access to credit by their Japanese counterparts."

If the U.S. company wants easier access to credit from the banks, it can satisfy its needs by a simple ploy: move its operations overseas.

"It is usually far easier," testified Cohen, "to obtain funds for new projects outside the United States than for those within the United States. . . . This has led U.S. companies to establish a large number of operations overseas."

Steel is only one example, but it is well chosen. Steel is more than just another commodity like Wheaties, lipstick or even computer games; steel is central to the economic and political strength of an industrial society.

Indeed, one of the arguments for the recent tax cut to enrich the richest was to get the needed capital to carry through a revitalization of steel and similarly situated industries in the United States.

But where is the money going? Overseas.

"WHAT NEEDS to be examined," says Cohen, "is the role and responsibility of financial institutions in the U.S. economy. These institutions have traditionally operated as though the profit motive is central. Perhaps in the age of a more advanced industrial society subject to serious potential economic dislocations, greater attention must be paid to developing policies that require financial institutions to have a greater sensitivity to the problems of the nation."

Basic Human Rights At Stake in Poland

One month has passed since the military crackdown in Poland. Basic human and trade union rights remain suspended. Thousands of people, including national and regional leaders of Solidarity, remain in detention. . . .

As representatives of 65 million workers throughout the world, we unreservedly condemn the coup. We shall help Solidarity materially and financially. We shall campaign amongst our member organizations to ensure that support at the workplace and national level for Polish workers is developed and sustained, and that the right of Polish workers to have their independent trade union is one that remains a top priority for the international free trade union movement.

—Statement following the General Conference of International Trade Secretariats in Geneva, Switzerland, Jan. 12-13, 1982.

A Factory Worker's Perspective

The Cruelties of Reaganomics

By Vicki Williams

I CONSIDER MYSELF the classic "poor overburdened taxpayer" that you hear so much about these days. I work for an electronics company and make $6.58 an hour which translates into $204 per week after deductions, $30.21 of which are federal withholding taxes.

I have a husband, laid off, whose unemployment compensation has run out, and a 13-year-old son who thinks he should have a leather coat, a P.K. Ripper motocross bike, a Pioneer stereo and an Asteroids game. It bothers me a lot that I can't afford to buy him any of these things. It also bothers me that I'm not sure how we're going to fill up the fuel tank often enough to stay warm this winter.

There is something else that bothers me, though not to the same extent as my son's unfulfilled desires or the ever-hungry fuel tank, and that is that every single politician and editorialist is positive he knows exactly what I think.

EVERYONE SEEMS to be wildly anxious to be my spokesman. Yet these people don't know a damn thing about how the "poor overburdened taxpayer" thinks or lives. I imagine it's been quite some time since most politicians or well-known journalists lived on $204 per week, though I've read plenty of complaints from congressmen about their meager salaries.

One even said he had to sleep in his office because he couldn't afford to buy a house. Do you know how much pity I can spare for a senator who can't live on $60,000 a year?

I know I'm not as articulate as the people who write the editorials for newspapers and the speeches for politicians, but just once I'd like to have on the record the thoughts of an average taxpayer. I'm tired of these people putting their words in my mouth and their thoughts in my head.

One of the statements I read and hear most often is how fed up I'm supposed to be with the amount of my taxes that goes toward welfare, food stamps, programs for the elderly, subsidized school lunches and other supportive social services. Wrong!

WHAT THE PEOPLE "up there" don't understand is that I identify with the beneficiaries of these programs much more than I do with the politicians and the media people. "There, but for the grace of God, go I." So far I have never had to rely on welfare, free lunches or Medicaid, but I very well might someday.

When I was divorced, I could have qualified for welfare. Fortunately, I had parents who were in a position to help, but if I hadn't, you can believe I would have swallowed my pride rather than watch my son go hungry.

People like me, who live only a hairbreadth from economic disaster, are glad those programs are out there, though we pray we'll never have to use them. We feel sympathy for the ones who do.

IN 1977 MY sister-in-law was abandoned by her husband. Her health did not permit her to work full time, so she drew $194 per month from the welfare department to support herself and her child. I doubt that anyone can think she lived extravagantly on $194 per month.

I think it's possible that at least one of the very same politicians who are now complaining about welfare recipients might have taken a political junket during one of the months that my sister-in-law and her son lived on $194. Believe me, I resent that junket at my expense much, much more than I resent helping an AFDC mother, or buying eyeglasses for an elderly person or free lunches for a ghetto child.

To me, Reaganomics is cruel and self-serving. Reagan seems to be telling us that the United States is a sinking ship and that if we harden our hearts and throw a few people overboard, we can lighten the load. Then, possibly, the Ship of State can sail back to shore. I don't see my country quite that way. The philosophy behind the original structure of the United States is that we are a people who sink or swim together. We don't make human sacrifices.

IF THERE IS EVEN one child in this country who is hungry or one old person who needs medical care, then I want my $1,570.92 in taxes to go toward helping that child or that old person.

I know about the cheaters. There are always cheaters.

If we have to give a free lunch to one child whose parents could afford to pay in order to give free lunches to nine children who genuinely deserve them, so be it.

THE MUCH-TOUTED tax cut doesn't make sense to me. Perhaps there's a complicated economic formula that explains the logic of a tax cut at the same time we're slashing federal programs because of lack of funds, but if so, I missed it. I pay $30.21 per week to the federal government.

As I understand it, when all the tax cuts are in effect, I will only pay $22.66, giving me $7.55 extra to save or spend. Well, I could do a few things with $7.55 a week but, had I been consulted, I would have just as soon paid it and kept the food-stamp program or veterans' benefits intact. I suspect that the government will give it to me with one hand and take it away with the other.

You see, I really believe that most politicians and media people think that those of us out here in America who work in the factories and offices are ignorant. I believe that they think we will never catch on to their sleights of hand. I believe that they think they can tell us the grass is black one day and white the next and we'll never trust ourselves enough to look down and say, "Why, that grass isn't black or white—it's green!"

WE DON'T REALLY believe that 56 oil companies recorded 98 percent of the increase in all corporate profits from 1978 through 1980 for *our* benefit. We don't believe the tobacco subsidy is for *our* benefit. We don't believe that congressmen who were violently anti-AWACS magically changed their minds for *our* benefit.

We know it's always us who pay the bills.

I wish a politician would come along who'd tell me that the grass is green.

The author is a member of Machinists Local 2574 and was employed at the Square D factory in Huntington, Ind., when she wrote this article for the "My Turn" feature in the Jan. 18 issue of Newsweek. Since then, a new wave of layoffs has left Mrs. Williams unemployed.

Tax Giveaway Deepens Slump

EXCESSES and inequities of the Reagan tax program will drive the economy deeper into recession and could send unemployment as high as 10 percent, AFL-CIO Economist Arnold Cantor warned.

Noting that nearly two-thirds of the $750 billion cut over the next five years will go to only "a handful of wealthy Americans and businesses," Cantor said that little of that money will go to investments that will add jobs and stimulate the economy.

"We cannot get the economy going when we have a fantastic drain on the Treasury," Cantor declared. He said the unbalanced distribution of the tax cut is causing huge deficits and "sky-high interest rates." Cantor, who is the federation's assistant director of economic research, appeared on the network interview, Labor News Conference, aired weekly on the Mutual radio network.

Cantor renewed the call for a $700 cap on individual tax cuts in fiscal 1983, which would restore $9 billion to the Treasury. That would still give virtually every family with an income up to $40,000 the same tax cut already scheduled, but would "get rid of the excesses that are going to taxpayers with incomes of $200,000 to $500,000," he said.

Cantor noted that the "distributional inequities" of the Reagan tax program are so great that they have "created a new industry" built on buying and selling tax credits. "Companes have so much that they can write off" under the new law "that they can't use all of it," he observed. He cited the comment of a Republican conservative that such arrangements amount to "food stamps for the rich corporations."

By Press Associates, Inc.

WHILE EARLY RETIREMENT is a shining goal for many workers, a majority of Americans now want to work, at least part-time, after they reach 65—for several reasons:

- Medical progress is enabling workers to live longer, healthier lives. Older workers are stronger and more alert than they were when the drive for early retirement began 30 years ago.
- As the cost of living rises, retirement benefits become less adequate than ever, but there's more to the general desire to hold a job than the finances.

Those findings keynoted a recent, day-long seminar on the older worker at the George Meany Center for Labor Studies. Sponsored by the Institute on Aging of Drexel University, the seminar brought together gerontologists, sociologists and economists with union educators, researchers and retiree directors.

Participants reviewed the results of the drive for early retirement that began about 30 years ago when a baby boom, national prosperity and union negotiations combined to produce liberalized eligibility for retirement and increased benefits in both private pension plans and social security.

EARLY RETIREMENT at 55, 60 or 62 was popular. In 30 years, the proportion of men in the workforce aged 55 and over dropped from 70 percent to 46 percent. For those over 65, the decline has been even greater, from 48 percent to 19 percent.

But now conditions have changed:

- The birthrate is declining; the number of young people entering the workforce has dropped.
- Lack of adequate funding for social security has raised concern about the cost of pensions.
- Employers are thinking that the removal of experienced workers from the workforce may contribute to a decline in productivity.

Harold L. Sheppard of the National Council on Aging reported on a 1981 opinion poll on aging commissioned by the council. It showed that many older Americans want to remain active, primarily through paid jobs but also through unpaid volunteer work.

THAT POLL DISCLOSED that 67 percent of older workers (55-64) are not planning early retirement before 65. In 1974, in an earlier poll, 57 percent said they planned to work to their 65th birthday or later.

The new poll showed that only 15 percent of workers 65 and older are looking forward happily to retiring.

The survey by the National Council on Aging also disclosed that today, more than in 1974, younger workers support the preference by older persons to continue working.

In the survey, management—those with responsibility to hire and fire—also opposed forced retirement to make room for younger workers. In this employer group, 72 percent disapproved; only 26 percent supported mandatory retirement.

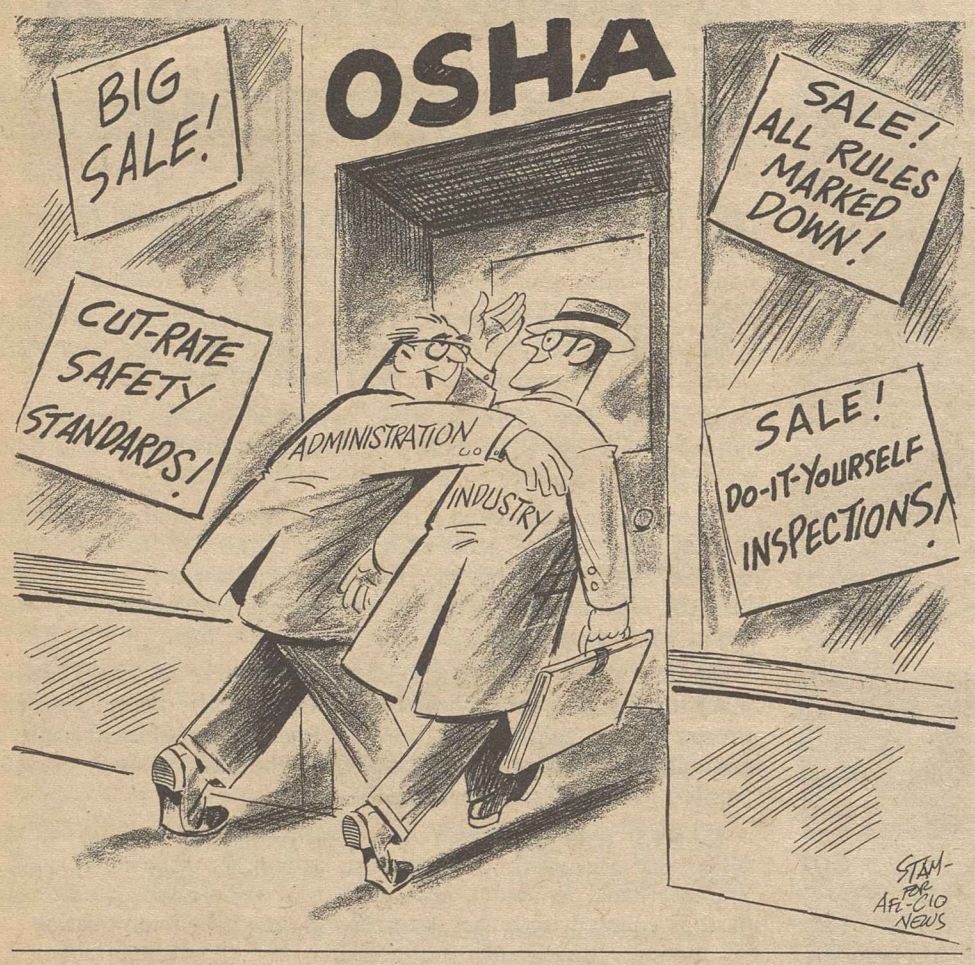
Participants in the George Meany Center seminar reviewed several recommendations to help older workers:

- Promoting age-neutral personnel policies with performance appraisals rather than age cut-offs.
- Extending worklife with job sharing, part-time work and other phased retirement, sabbaticals and redesigned jobs.
- Allowing retirees to return to work on temporary or part-time jobs.
- Making more pensions portable so the middle-aged can consider alternative careers.
- Training older workers to take new jobs.

The seminar ended with the conclusion that older workers represent a tremendous reservoir of talent at a time when the nation cannot afford to waste the skills, the abilities and the experience they offer.

EXCESSES AND INEQUITIES written into the Reagan tax program could push the unemployment rate to 10 percent as the economy sinks deeper into recession, AFL-CIO Economist Arnold Cantor, center, warned on Labor News Conference. Questioning him were Jerome Cahill, left, of the New York Daily News and Michael Posner of the Reuters news service. The public affairs interview is aired weekly on Mutual radio.

'Have I Got a Deal for You!'



Voluntary Job Safety Plan Hit as Threat to Protections

(Continued from Page 1)

Citing a number of pitfalls in the proposal, Taylor said "workers have nothing to gain and everything to lose through their participation in the joint management-worker committees."

HE EXPRESSED concern that by serving on the committees, workers may have to assume responsibility for safety and health programs and share in the legal liability.

Taylor cited the findings of an AFL-CIO analysis that the Administration has sharply rolled back workplace safety and health enforcement during the past year.

Comparing OSHA compliance activities in similar 10-month periods of 1980 and 1981, the federation's study shows that the total number of inspections dropped 21 percent, complaint inspections dropped 32 percent, follow-up inspections were down 72 percent, and construction site inspections fell 13 percent.

THE STUDY covers the periods of January-October 1980 and February-November 1981 and is based on data released by the federal job safety agency.

Taylor said OSHA's compliance activities have steadily deteriorated during the year. Comparing the agency's performance of October 1980 with that of October 1981, the analysis found declines of 45 percent in total inspections, 49 percent in complaint inspections, 40 percent in citations for "serious" violations, 94 percent in citations for "willful" violations, 60 percent in citations for "repeat" violations.

Meanwhile, the agency's complaint backlog was up 208 percent.

While acknowledging that OSHA has fewer inspectors and enforcement support personnel as a result of Reagan budget slashes, Taylor pointed out that the decline in citations and proposed penalties was far deeper than the proportionate reduction in staff and inspections.

HE NOTED that even though Auchter had issued a directive for the remaining enforcement staff to focus inspections on more hazardous workplaces where a greater number of violations could be detected, the safety agency's data for October and November 1981 suggest that this did not happen.

Instead, Taylor stressed, the analysis clearly shows that the federal job safety agency is retreating from the four years of gains made under former OSHA Administrator Eula Bingham.

"The declines in OSHA activity since February 1981 have been significant and constant," he charged. "Even more disturbing, each month's new data show a grimmer picture than the month before. And to date, there appears to be no let up in sight for these downward trend."

THE FEDERATION study shows that the amount of proposed penalties in a 10-month period of 1981 declined 44 percent from a comparable 10-month period of 1980.

And despite the supposed emphasis on more hazardous workplaces, OSHA inspectors spent 13.7 hours per inspection in 1981, compared with 15.9 hours in 1980 —a decline of 14 percent.

Oil Settlements Extend Pattern, Texaco Holds Out

Denver—The Oil, Chemical & Atomic Workers have reached agreement on new two-year contracts covering a substantial majority of some 55,000 of their members employed by major U.S. oil companies.

The major exception is Texaco, which employs the largest contingent of OCAW members. Talks with the firm have bogged down over a pension dispute, and a unit of 4,600 workers at the company's Port Arthur, Tex., plant has been on strike since the old contract expired on Jan. 8. The union represents 7,600 employees at 10 Texaco refineries.

THOSE COMPANIES that have settled with the union have generally agreed to the terms of the pattern settlement negotiated a week ago with Gulf Oil Corp.

The contract provides for a 9 percent pay boost this year and 90 cents an hour more, or about 7 percent, in 1983.

Among other companies that have settled on new pacts are Cities Service, Amoco, Union Oil of California, Exxon, Mobil, Shell, and Marathon.

AT ISSUE in the Texaco standoff is the manner in which the company calculates lump-sum pension benefits. The union charges that Texaco violated the previous bargaining agreement by increasing the percentage by which benefits are discounted when taken in a lump sum. More than $50 million is involved in the dispute.

The union's interpretation of the contract was upheld by the U.S. District Court for East Texas and is being appealed by the company. OCAW said that it is considering filing unfair labor practice charges with the National Labor Relations Board over the firm's conduct in the current negotiations.

1982 Calendar

Conventions Scheduled By Federation Affiliates

Below is a list of conventions scheduled for 1982 by AFL-CIO national and international affiliates and state central bodies. Changes and additions will be reported.

DATE	ORGANIZATION	PLACE
Feb. 26-28	New Mexico	Albuquerque
Mar. 2-6	Longshoremen	Hollywood, Fla.
Mar. 15	Marine Engineers	To be announced
Mar. 15-17	Louisiana	Baton Rouge
Mar. 15-19	Woodworkers	Portland, Ore.
Mar. 21-26	Professional Athletes	Albuquerque, N.M.
Mar. 21-27	Food & Commercial Workers	Miami
Apr. 27-30	Pennsylvania	Pittsburgh
May 3-5	Mississippi	Jackson
May 13-15	North Dakota	Grand Forks
May 24-28	Distillery Workers	Washington
May 26-28	Arizona	Prescott
May 29-June 2	Retail, Wholesale & Dept. Store Union	Washington
June 3-11	Upholsterers	Philadelphia
June 4-6	Furniture Workers	Nashville
June 6-9	New Jersey	Atlantic City
June 7-9	Idaho	Coeur d'Alene
June 15-17	Ohio	Cleveland
June 20-25	Leather Goods, Plastics & Novelty Workers	Washington
June 21-25	State, County & Municipal Employees	Atlantic City, N.J.
June 21-25	Newspaper Guild	Los Angeles
July 1-7	Teachers	New York
July 12-16	Communications Workers	Detroit
July 12-16	Maintenance of Way Employees	Vancouver, B.C.
July 14-16	Indiana	Indianapolis
July 15-21	Police Associations	Las Vegas, Nev.
July 19-22	Yardmasters	Denver
July 26	Theatrical Stage Employees	Winnipeg, Man.
July 28-Aug. 3	Bakery, Confectionery & Tobacco Workers	Hollywood, Fla.
Aug. (no date)	Nevada	Las Vegas
Aug. 2-6	Fire Fighters	Chicago
Aug. 2-6	Typographical Union	Seattle
Aug. 9-13	Professional & Technical Engineers	Seattle
Aug. 9-13	United Garment Workers	Atlantic City, N.J.
Aug. 10-12	School Administrators	Kiamesha Lake, N.Y.
Aug. 16-21	Letter Carriers	San Francisco
Aug. 18-20	Iowa	Waterloo
Aug. 19-21	Montana	Helena
Aug. 23	Asbestos Workers	Las Vegas, Nev.
Aug. 23-26	Marble Polishers	Las Vegas, Nev.
Aug. 23-27	Railroad Signalmen	San Francisco
Aug. 23-27	Postal Workers	Miami Beach, Fla.
Aug. 23-27	Government Employees	New York
Aug. 23-27	Washington	Spokane
Aug. 26-28	Virginia	Roanoke
Aug. 30-Sept. 2	New York	Kiamesha Lake
Aug. 30-Sept. 4	Sheet Metal Workers	New York
Sept. 13	International Brotherhood of Electrical Workers	Los Angeles
Sept. 13-16	Florida	Orlando
Sept. 20	Alaska	Ketchikan
Sept. 20-22	Minnesota	Duluth
Sept. 20-23	Illinois	Rosemont
Sept. 20-24	Electrical, Radio & Machine Workers	New York
Sept. 20-24	Steelworkers	Atlantic City, N.J.
Sept. 22-24	Connecticut	Hartford
Sept. 24-25	Wyoming	Cheyenne
Sept. 29-Oct. 1	Utah	Salt Lake City
Oct. 11-14	Wisconsin	La Crosse
Oct. 11-15	Broadcast Employees & Technicians	Toronto
Oct. 12-21	Marine & Shipbuilding Workers	Kissimmee, Fla.
Oct. 17-23	Chemical Workers	Las Vegas, Nev.
Oct. 18-22	Cement, Lime & Gypsum Workers	Minneapolis
Oct. 20-22	Georgia	Augusta
Nov. 15-18	Flight Engineers	New Orleans
Nov. 8-14	Air Line Pilots	Bal Harbour, Fla.

Wholesale Prices Up 7% for Year

Wholesale prices, as measured by the government's producer price index for finished goods, rose a modest three-tenths of 1 percent in December and were up 7 percent for all of 1981.

The increase over the year was the smallest since a 6.9-percent rise in 1977. The current recession, near-record unemployment, soaring interest rates, and the oil surplus all contributed to last year's lower wholesale prices. The producer price index for finished goods is a rough barometer of the inflation that consumers will face in the future.

The 7-percent rise in wholesale prices compared with an 11.8-percent jump in 1980. The Bureau of Labor Statistics, which reported the figures, said the slowdown in producer prices was broad-based.

Consumer food prices rose only 1.5 percent in 1981, compared with 7.5 percent the previous year. The rise in energy prices, 14.3 percent over the year, was far less than the 27.8-percent increase of 1980. And the prices of items other than food and energy were up 6.9 percent, compared to a 10.4-percent jump in 1980. The 1981 increase in prices for capital equipment slowed to 9.2 percent from an 11.4-percent rise in 1980.

The December rise of three-tenths of 1 percent in the producer price index for finished goods followed a rise of five-tenths of 1 percent in November and an increase of six-tenths of 1 percent in October.

Energy costs increased seven-tenths of 1 percent in December despite cheaper gasoline.

FDR Remembered as Workers' Ally

National Tribute to Mark 100th Anniversary of Birth

By Susan Dunlop

The 100th anniversary of the birth of Franklin Delano Roosevelt, on Jan. 30, will be celebrated by America's unions as a tribute to the New Deal President who so strongly supported the right of workers to organize.

National observances of the centenary include special exhibits and programs at Roosevelt's Hyde Park, N.Y., home, now a national park, and at Harvard University of which he was a graduate. There will be exhibits in schools across the country, at the Smithsonian Institution and other Washington museums.

CONGRESS WILL mark the event with a joint session Jan. 28, to be televised live over PBS. The ABC, CBS and NBC networks are scheduling documentaries on Roosevelt's life and era.

To former AFL-CIO President George Meany, Roosevelt was the chief executive who "made the greatest contributions to the solution of America's problems" in this century.

Meany pointed to the 32nd President's efforts to combat the Depression and to the New Deal program he put through. FDR supported the Wagner Labor Relations Act, the Fair Labor Standards Act, which established the minimum wage, and major social insurance legislation including unemployment compensation and the Social Security Act.

ROOSEVELT'S TIES with organized labor dated from his tenure as governor of New York, aided by Frances Perkins whom he appointed state labor commissioner and made Secretary of Labor when he became president.

In urging Perkins to accept the appointment to his Cabinet, Roosevelt stressed that the "Secretary of Labor should be the secretary for labor." Perkins was the first woman to hold a Cabinet office, and she was instrumental in bringing state and national labor officials into Roosevelt's staff of advisers.

Roosevelt's campaign for president in 1932 was linked to the desperate need for economic recovery from the Depression gripping the country, and he won worker support with a personal platform pledge that any recovery programs would include improvements in wages and working conditions and the protection of organizing and bargaining rights.

Full, secure employment and "a more equitable distribution of national income" were the keys to recovery, Roosevelt said, asserting that government action to achieve those goals was both right and necessary. In a speech, he urged Americans to "never forget that government is ourselves and not an alien power over us."

WITHIN DAYS of his inauguration in 1933, Roosevelt presented Congress with major programs to alleviate the economic and social ravages of the Depression, including the labor-supported Federal Emergency Relief Act meant to quickly make more food, shelter, clothing and medical care available as well as to begin restoring workers' buying power.

In his campaign, Roosevelt had said that the Depression exposed the fallacy of the theory that cut-throat competition among industries would help the economy, since that competition took the form of slashing wages, increasing hours and laying off workers, cutting buying power just when it was needed most.

His recovery program called for immediate raising of wages, reduction of hours and provisions for job security. Roosevelt was responsive to the assertions of AFL President William Green and other leaders that unions provided workers with the unified strength needed to bargain with employers as equals.

The National Industrial Recovery Act, passed in June 1933, was designed to set up codes for industries to end cut-throat competition at the expense of workers. Its landmark "Section 7(a)" guaranteed organizing and bargaining rights, outlawed company-controlled unions and required employer compliance with wage and hour standards.

Roosevelt resisted heavy pressure from business to weaken or eliminate the labor section. Through Frances Perkins, he assured labor it would have a voice in the National Recovery Administration.

The AFL acted quickly to urge unions to participate in the NRA, and the protections of Section 7(a), called labor's "Magna Charta" by Green, led to widespread organizing.

Employer resistance and open defiance mounted in spite of the efforts of the National Labor Board set up under the act and it was clear a stronger, more specific labor relations law, including a labor board with greater power, was needed.

That legislation was introduced by New York Sen. Robert Wagner in 1934, and the need for it was underscored when a 1935 Supreme Court decision nullified the part of the recovery act that contained Section 7(a).

At almost the same moment, Roosevelt, despite more intense pressure from business, agreed to join labor in urging Congress to pass the Wagner Act, which he signed July 5, 1935.

The law, the basis of today's National Labor Relations Act, also led to the creation of the National Labor Relations Board in its present format.

Roosevelt's recovery program stressed a long-term need for social insurance to underpin the economic system, and the Social Security Act was a direct result.

AT THE SAME time, Roosevelt endorsed unemployment compensation, workers' compensation, health insurance, assistance for the elderly, disabled and needy, and protections for dependent children. Frances Perkins told the Council on Economic Security appointed to plan strategy to achieve these goals that Roosevelt believed the most important kind of social insurance was employment.

Many of the "alphabet agencies" created under Roosevelt's New Deal programs were geared to creating jobs, including the Civilian Conservation Corps, the Works Progress Administration, the Public Works Administration and the Tennessee Valley Authority. Roosevelt was urged by union leaders, Perkins and others in his administration to guarantee that these programs would not undermine organizing efforts by unions or collective bargaining agreements.

ROOSEVELT'S continuing commitment to seek the advice and help of labor in national affairs was underscored during World War II when he insured labor representation in war production mobilization efforts, including the War Labor Board whose labor members included Meany.

Efforts by business to use war production mobilization as an excuse to freeze or end gains being made by labor in union security agreements were turned aside by Roosevelt who said in 1943, "I believe now as I have all my life in the right of workers to join unions and to protect their unions."

This concern for working people was cited by CIO President Philip Murray in a radio eulogy in 1945. In Roosevelt's 12 years as president, Murray said, "the common man . . . has made more progress in terms of economic and social welfare than in any comparable period of our recent history."

FULL COOPERATION of organized labor in efforts to win World War II was enlisted by President Roosevelt. Roosevelt insisted that labor be represented on the War Labor Board as equals with business to help maintain both production and labor standards and to settle disputes. Labor's drive to sell revenue-raising war bonds was symbolized in this poster presentation to Roosevelt at the White House by then AFL President William Green and Sec.-Treas. George Meany.

First-Day Cover Set For FDR Centennial

The Samuel Gompers Stamp Club is sponsoring a first-day cover to commemorate the 100th anniversary of the birth of Franklin Delano Roosevelt, Jan. 30.

The filler card of the cachet traces Roosevelt's efforts to end the Depression, and includes the text of the statement he issued on his signing of the landmark Wagner Act of 1935, the basis of today's National Labor Relations Act.

The first-day cover is available from the Samuel Gompers Stamp Club, P.O. Box 1233, Springfield, Va. 22151 at 75 cents each or three for $2. Orders should include a self-addressed number 10 envelope.

'Worklife Plans' No Substitute for Bargaining

Amherst, Mass. — Labor-management cooperation to improve the quality of worklife can be mutually beneficial, but it should never be a substitute for collective bargaining, AFL-CIO Sec.-Treas. Thomas R. Donahue said here.

Donahue made clear his strong belief in the "conflict theory of labor relations," in which workers seek "a larger share of the wealth they produce" and "the boss doesn't want to give it to us."

THAT'S A CONFLICT that should be resolved through bargaining table confrontation, not worker-management cooperation, Donahue stressed as a participant in a program held at the Labor Relations Research Center of the University of Massachusttts.

But when a contract agreement is reached, he suggested, the adversary role should wherever possible "be replaced by a period of cooperation" since both workers and management share a stake in the success of the company.

Donahue noted wryly that management seems most interested in cooperative efforts to improve production through a better work atmosphere when its company or industry is in trouble. And he acknowledged that unions are often suspicious of management motives, sometimes with good reason.

"EXPERIENCE HAS taught us to look for pitfalls," he explained. Too many employers are interested only in "cosmetic changes" designed "to fool the worker into believing . . . that management really cares, despite the lousy pay and rotten conditions."

Labor-management cooperation works when it is the outgrowth of the collective bargaining process, Donahue stressed. He cited joint safety and apprenticeship committees as well as quality of worklife experiments as outgrowths of this process.

"Only the collective bargaining stature of their unions establishes workers as real partners in these labor-management committees," he insisted, and the weaker the union, the more risky its participation.

A JOINT EFFORT that does not seek to co-opt the union function can serve a useful purpose, Donahue said. Unions "have an interest in maintaining productive, competitive employers," and union members on the job welcome a work environment that enhances individual dignity and accomplishment.

He added:

"Any program which strengthens the union's ability to grapple with the new issues our members want addressed, any program which holds out real promise for the expansion of workplace democracy, ought to be grasped, minutely examined for flaws, reshaped as necessary, polished and put in place—and then watched very carefully."

Donahue cautioned against overselling the potential of quality of worklife committees to workers and noted differences in circumstances that make it difficult to adopt structures developed in other nations.

The most successful programs in Japan, he noted, have been in prosperous companies experiencing rapid growth. They have the resources to invest heavily in employee training and to wait for the investment to pay off.

BUT MANY American firms turning to quality of worklife programs have declining profits, outmoded equipment, and are looking for a "quick fix" rather than long-term improvement.

Despite the hazards, Donahue suggested, there are potentially "real benefits" for all parties involved. "American industry badly needs the surge of creative energy" that can be unleashed through genuine cooperation, he said.

But the needed cooperation, he cautioned, won't be achieved by employers who proclaim their desire for a "union-free environment" or by management consultants seeking to wean workers away from their unions.

Donahue Tells Consumer Federation

Economic Slump Signals Collapse of Reaganomics

Reaganomics may well be on the way out as signs of economic deterioration abound, AFL-CIO Sec.-Treas. Thomas R. Donahue told a meeting of the nation's consumer affairs leaders.

Until President Reagan took office, there was a rough consensus among Americans that the goals of federal government in the economic area were full employment, stable prices, steady growth, and a more equitable distribution of income, Donahue said.

"THESE ARE not the goals of Reaganomics. Not one of them has a place in the Reagan game plan," he declared at the 1982 Consumer Assembly sponsored by Consumer Federation of America.

"Instead of full employment, this country is rapidly approaching the highest level of unemployment since the Great Depression," Donahue pointed out. "Instead of price stability, the inflation rate continues to hover near 10 percent. . . . Instead of economic growth, the economy is declining more steeply."

Donahue noted that auto sales are at their lowest level in 22 years, with some 300,000 workers laid off; the homebuilding industry produced fewer houses last year than in any year since 1946, and in the first 10 months of 1981 nearly 15,000 businesses went bankrupt.

"THOSE ARE the normal, natural, predictable effects of Reaganomics, which takes its cue from 18th and 19th Century theoretical models that have nothing to do with today's economic structures," he said.

In addition to wrecking the economy, Donahue charged that the Reagan Administration is "proceeding under full steam with the social revolution that is part and parcel of their economic program even though they know that the destruction of federal entitlement programs, such as unemployment insurance, Medicaid and food stamps, which have served as automatic stabilizers that cushioned the worst effects of previous recessions, will make the present one much, much worse.

"This is not and never was a search for a single rational economic policy," he said. "It was and is the acceptance of a melange of discredited economic ideas slapped together to appear to support a political philosophy."

WHAT AMERICA needs today is a "rational anti-recession program," said Donahue. People-oriented programs already on the books must be given sufficient funding to provide jobs quickly and help lift the economy, he said. Also, there has to be action to revive the emergency local public works program, to provide new low and middle-income housing, to reactivate public service job programs, and to restore nationwide extended unemployment compensation for the long-term unemployed, Donahue said.

To finance these programs, there has to be a change in the tax structure that has been crippled by irresponsible giveaways to the rich, he added. The AFL-CIO is urging Congress to limit the individual income tax cuts for 1982 to $700 per taxpayer, which is about the amount scheduled for those with incomes of $40,000.

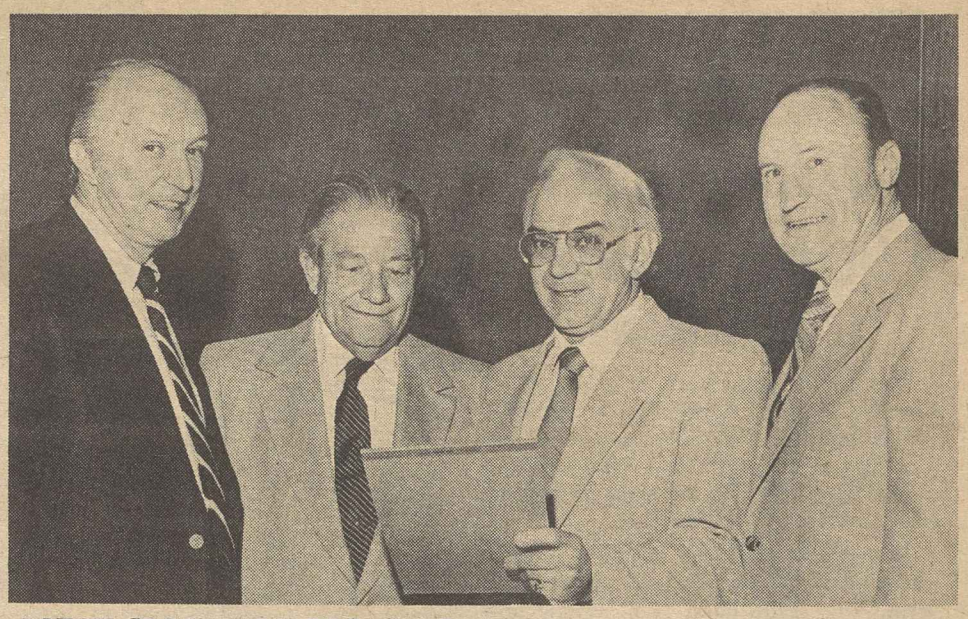
THE FEDERATION is also urging a cutback of the 10-percent investment tax credit to its original 7-percent level, in order to stop subsidizing the same firms and investments as the huge new depreciation system subsidizes. And the AFL-CIO has called for withdrawal of the oil windfall profits tax proceeds that were given away to wealthy oil royalty owners.

Besides these emergency actions, the AFL-CIO is urging an extensive restructuring of the economy to revitalize and reindustrialize the country, Donahue said. "We have a whole set of alternative economic proposals that we believe would easily outperform Reaganomics, without creating the intolerable inequities that Reaganomics has brought about," he declared.

Creation of a tripartite National Reindustrialization Board, bringing together government, management and labor, is urgently needed to insure the revitalization of the nation's sick and decaying communities while at the same time encouraging the development of new industries with promise for the future, Donahue said. The Reindustrialization Board would take into account more than just short-term profits for a corporation, but rather would be attuned to job creation and to the long-term development and welfare of the nation, he said.

"THE SOLUTION to America's problems is not to hamstring the federal government by cutting its programs and its sources of income and weakening or undermining its laws and the regulations and standards used to protect health, safety, civil rights, and the environment," Donahue stressed.

"We believe there are alternatives to Reaganomics that are workable, equitable, and effective. That is a belief we share with all of the voluntary organizations that marched with us on Solidarity Day," he added.



UNION SECRETARY-TREASURERS compare notes at the George Meany Center seminar in Williamsburg, Va. From left are Thomas R. Donahue, AFL-CIO; Nicholas C. Vrataric, Paperworkers; Charles B. Dale, Newspaper Guild, and William Bywater, Electrical, Radio & Machine Workers.

Economist Sees Disillusion With Reagan's Programs

Williamsburg, Va.—The Reagan counter-revolution based on taking from the many to benefit the few will be short lived, Prof. Charles C. Killingsworth of Michigan State University's School of Labor & Industrial Relations predicted at a seminar for union secretary-treasurers.

The seminar was sponsored by the George Meany Center for Labor Studies as a continuation of its annual program for executive officers of national and international unions begun in 1962. This year's program was planned with the cooperation of the AFL-CIO Secretary-Treasurers Conference.

THE 22 PARTICIPANTS were greeted by AFL-CIO Sec.-Treas. Thomas R. Donahue and Fred K. Hoehler, Jr., executive director of the Meany Center.

Dr. Killingsworth opened the program with an analysis of the impact of Reaganomics.

For 50 years, he observed, three basic presumptions have dominated U.S. social policies:

- The United States should be a compassionate society, giving a decent minimum of help to the ill, the unemployed and the destitute.
- The best paying investment is in human beings, money spent for education and other kinds of training and development. It offers a greater cash return than money sunk in mortar, brick and machinery. The phenomenal growth of productivity in the U.S. economy has resulted from the rising educational levels of Americans.
- A democratic society should always strive to reduce the extremes of economic inequality.

KILLINGSWORTH summed up the implications so far of the Reagan program as "a beginning of a counter-revolution" in U.S. social policy. He told the secretary-treasurers that cuts in government programs so far add up to about $40 billion less than Jimmy Carter proposed for these programs for 1982 "and they promise further reductions mainly in social programs that will amount to $80 or $90 billion over the next several years."

Pointing to the large holes already torn in the so-called "safety net" the President Reagan promised, the Michigan State economist enumerated:

- Public service employment has been totally eliminated.
- The school lunch program has been cut in ways that would be comical if they weren't tragic.
- Unemployment benefits have been restricted.
- Various forms of welfare programs have been slashed.
- The nature of the tax cut bill makes it an engine to generate greater inequality.

Killingsworth recalled the question Ronald Reagan asked the voters during the 1980 campaign: "Are you better off now than you were four years ago?"

He predicted that when the same question is asked in the 1982 and 1984 campaigns, the electorate will answer with a louder "no" than in 1980.

"THAT IS A safe prediction because the essence of the Reagan counter-revolution is to take from the many to benefit the few who are already well-off," he concluded.

The seminar's third day was devoted to a review of automated record-keeping and other computerized office management systems. Thomas S. McFee, assistant secretary for personnel administration of the Dept. of Health & Human Services, lectured on "Planning, Budgeting and Evaluation."

The secretary-treasurers participating in the conference at Williamsburg represented unions with 6 million members, Hoehler reported.

Coalition Fights Surging Health Care Costs

National representatives of labor, business, health care providers and insurers have agreed to coperate at the local level in efforts to bring health costs under control.

Citing a "new climate" in which the federal government is withdrawing its functions and funding, participating organizations—including the AFL-CIO—underlined the urgency in launching the program for some 70 communities.

The diverse group was brought together by John Dunlop, former Secretary of Labor, who disclosed at a press conference that repersentatives of the six national organizations have been discussing the local coalition approach for six months.

Participating organizations, in addition to the AFL-CIO, are the American Hospital Assocation, American Medical Association, Blue Cross and Blue Shield Associations, the Business Roundtable and the Health Insurance Association of America.

While endorsing the objectives of the local coalition approach, Federation Social Security Director Bert Seidman pointed out at the press conference that organized labor will continue to pursue its goals of national health insurance or federal legislation to contain hospital costs.

DUNLOP, WHO is coordinating the coalition effort, said the organizations came together "out of a deep concern with the rate of increase in health care costs and the effects of public and private policies on the quality and access to health care."

He said the coalition members recognize their strong differences over national policies and legislation, yet agreed to cooperate locally in today's new circumstances.

Seidman agreed. "The chances of achieving legislation are much less" at the present time, he said, and so labor is responding in "a pragmatic way" as it has done in other fields.

SEIDMAN NOTED that the federal government is "pulling back from its responsibilities" and unions would be encouraged to work with other groups at the local level.

Labor's aim, he said, will be not only to restrain costs but to seek broader access to quality care for working people, the unemployed and those now lacking health care.

In a common statement, the six organizations endorsed "coalitions" on a local, state or regional basis. They urged, first, an inventory of local resources and problems.

THEY ADVISED local groups to focus on a few priorities, such as decreasing the emphasis on expensive in-patient technology, and stressing alternative care such as ambulatory and home care.

They also urged efforts to finance and provide care for the unemployed and others without it and efforts to offset federal, state and local budget cuts.

Labor representatives participating in the discussions in addition to Seidman were President John J. Sweeney of the Service Employees and Melvin Glasser, health specialist with the Auto Workers.

New Guide Published On Union Scholarships

A guide to union-sponsored scholarships and awards has been compiled by the AFL-CIO Dept. of Education. The guide includes information on scholarships given by national and international unions, state and local central bodies and local unions as well as a directory for other sources of student aid.

Single copies of the guide are available free from the AFL-CIO Dept. of Education, 815 Sixteenth St., N.W., Room 407, Washington, D.C. 20006.

Correspondence about address corrections should be sent with attached mailing label to: Subscriptions, Room 209, 815 16th Street, N.W., Washington, D.C. 20006.

1/23/82

Kirkland Hits Reagan's Failure To Address Nation's Job Needs

RALLY FOR JOBS and justice drew over 15,000 workers to Washington's state capitol in Olympia, the largest crowd ever to assemble there. AFL-CIO Sec.-Treas. Thomas R. Donahue, addressing the huge turnout, charged that widespread unemployment and the deepening recession are the direct results of Reaganomics. **(Story, Page 2.)**

Scores Plan To Diminish Federal Role

By David L. Perlman

The AFL-CIO protested President Reagan's do-nothing response to rising unemployment and urged Congress to reject his proposal to scrap dozens of national programs and shift responsibility for the general welfare to the 50 states.

Such a drastic realignment amounts to an abdication of the national government's constitutional responsibility, AFL-CIO President Lane Kirkland charged.

"THIS NATION needs federal programs to attack unemployment and protect the weakest in our society," Kirkland insisted. And it would have the resources to finance such programs "if it recaptured the tax giveaways to the wealthy" that were enacted last year, he said.

Reagan's televised State of the Union address to Congress acknowledged recession and unemployment, but sloughed off responsibility. The nation's economic collapse is an "inheritance" from the policies of his predecessors, Reagan insisted.

The President had only one proposal for dealing with problems of cities and the disadvantaged—a warmed-over plan for experimental "urban enterprise zones" to attract businesses to inner cities and rural towns.

REAGAN DID NOT spell out the details of his proposal, but a White House document quoted in a Bureau of National Affairs newsletter includes a subminimum wage for teenagers employed in the enterprise zones as one of the incentives for business expansion.

In a memorandum to AFL-CIO state and city central bodies, Research Director Rudy Oswald noted that an earlier version of the urban enterprise zone concept was opposed by the AFL-CIO Executive Council.

It amounts to more "business tax giveaways," Oswald said, and "a localized version of trickle-down economics" that won't create additional jobs. "A more likely result is job losses, lower wages, lower standards . . . and a shifting of employment from one area to another."

IN A LAST-MINUTE change of policy, Reagan sided with the hard-line supply-side ideologues and dropped plans for new taxes to hold down a deficit projected at close to $100 billion next year.

White House aides had persuaded the President to support higher taxes, but he

(Continued on Page 3)

AFL-CIO News

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'Further Steps' Urged Against Poland, Soviets

By James M. Shevis

Tougher economic and political sanctions against the communist governments of Poland and the Soviet Union were urged by the AFL-CIO as free unions prepared for a worldwide demonstration protesting the suppression of human rights in Poland and supporting the embattled Solidarity union movement in that country.

In announcing a program of curtailed trade and scientific exchange with the USSR Dec. 30, President Reagan noted that if those actions did not bring about the desired results—the end of martial law in Poland, the release of imprisoned Solidarity leaders, and the resumption of government negotiations with the independent union—further steps would be taken.

"THERE HAS been no progress toward these goals. Indeed, the repression in Poland is getting worse," AFL-CIO President Lane Kirkland said in a speech at the Auto Workers' national legislative conference in Washington.

"Where," he asked, "are the 'further steps' promised by the Administration? Where is the action to match the rhetoric?"

Kirkland outlined AFL-CIO plans for the Jan. 30 International Day of Solidarity called by the International Confederation of Free Trade Unions and urged all of organized American labor to do its part to make the day a success.

"WHAT WE WANT for Polish workers is no more and no less than we want for ourselves," Kirkland declared. "We view the rights of the members of Solidarnosc (Solidarity) to form and support free unions and to negotiate on equal terms with their employer as linked to our own rights and to the rights of free men and women everywhere.

"So long as (Solidarity Chairman) Lech Walesa and thousands of Solidarity members are under arrest and denied the rights for which they have sacrificed so valiantly, American labor cannot rest."

Kirkland charged that the Soviet Union is "the real author of the savage repression" in Poland, and that the gross violation of human rights in Poland is a mockery of any number of binding treaties signed and sealed by both the Polish and Soviet governments.

AT AFL-CIO News press time, firm plans for rallies, special masses, and other events demonstrating American labor's backing of the Polish workers and their

(Continued on Page 8)

Voting Rights Battle Opens 2nd Session

The second session of the 97th Congress opened with the civil rights coalition and the Reagan Administration on a collision path over extension of the Voting Rights Act and the issue of tax exemptions for racially segregated schools.

President Reagan said in his State of the Union address that he "strongly supports" extension of the Voting Rights Act and "laws that guarantee equal rights should be strengthened, when necessary."

BUT AT Senate hearings the next morning, Atty. Gen. William French Smith made clear that the Administration's support didn't apply to the bill the House passed last year by a large bipartisan majority.

That bill, supported by the AFL-CIO and the Leadership Conference on Civil Rights, includes a key provision to spell out the intent of Congress and nullify a damaging interpretation by the Supreme Court.

The Administration wants Congress to specify that an election law change in a jurisdiction covered by the Voting Rights Act can be blocked only if it was proposed with the "intent" to discriminate.

(Continued on Page 7)

Labor Presses Job-Creating Alternatives

Labor's alternative to the Reagan Administration's recession-breeding economic policies calls for "direct government action" to provide jobs for the unemployed, bring down interest rates and make taxes fairer.

AFL-CIO Research Director Rudy Oswald told a House subcommittee on monetary policy that the Administration appears bankrupt of ideas to check the recession.

HE URGED Congress to revive the emergency local public works program that helped pull the nation out of previous recessions, impose credit controls to bring down interest costs, restore public service job programs and expand housing programs.

Oswald challenged President Reagan's attempt "to blame the deepening recession on mistakes made by a previous Administration." This is a "Reagan recession" resulting from a failed economic policy, he insisted.

Just in the past two months, one million more workers have lost jobs, Oswald testified.

He charged that the Federal Reserve Board's tight-money policy has been an ineffective tool to bring down inflation, and has in fact pushed up costs of goods and services.

HE CALLED ON the House panel to go beyond the unemployment statistics and consider the human misery that results. "It's not only putting bread on the table that worries the jobless worker," he noted. "It's the mortgage payments, medical and dental bills for the children, and all the other bills that are coming in."

Oswald reiterated the AFL-CIO's proposal for a new Reconstruction Finance Corp. "to revitalize the economy with loans, loan guarantees, interest rate subsidies and targeted tax benefits for retooling and growth of basic industries."

He urged temporary restrictions on imports that add to unemployment and further weaken the nation's industrial base.

OSWALD TOOK issue with President Reagan's refusal to budge from the heavy tax cuts enacted last year and pressed the AFL-CIO proposal to:

- Limit the individual income tax cuts scheduled for this year to $700 per taxpayer, a ceiling that would affect only persons with incomes above $40,000 a year.
- Cut back the 10 percent investment tax credit to its previous 7 percent level, since it subsidizes the same firms and investments that also receive big benefits from the new depreciation system.

(Continued on Page 8)

DISMANTLING VITAL government agencies designed to help workers in hard times, as the Reagan Administration is doing, is "nothing short of madness," AFL-CIO Sec.-Treas. Thomas R. Donahue said in a speech before a conference on public sector labor relations sponsored jointly by the American Arbitration Association and the Labor-Management Relations Service of the U.S. Conference of Mayors. With Donahue are AAA President Thomas R. Colosi, left, and Executive Director John F. Leyden of the AFL-CIO Public Employee Dept.

Donahue Warns of 'Disaster'

Program Cuts Scored As Public Needs Grow

At a time when the American people have the greatest need to rely on government, the Reagan Administration is deliberately withholding help, AFL-CIO Sec.-Treas. Thomas R. Donahue charged at a public sector labor relations conference.

"It is during hard times, with falling production, rising unemployment, and a shrinking tax base that the American people have to put greatest reliance on government resources," Donahue observed. "So it seems nothing short of madness to choose this time, when the American people and their economy stand in greater need of their government's help than at any time in two generations, that the Administration chooses to deny all responsibility."

Donahue pointed out that in its one year in office, the Reagan Administration has succeeded in producing the largest number of jobless workers in the nation's post-war history. More than 9.5 million Americans —the largest number since 1939—are officially unemployed, "a social and economic disaster of the highest order," he observed.

But in the face of this tragedy, the Administration has no plan, no ideas, and apparently no interest in trying to limit the damage wrought by the recession, Donahue charged.

"INSTEAD," he said, "it has reduced unemployment compensation, training programs, welfare programs, and emergency public-service job programs at the same time it is putting more and more people on the street who need help and who have nowhere else to turn but to their government."

Donahue spoke at the annual public sector labor relations meeting sponsored by the American Arbitration Association and the Labor-Management Relations Service of the U.S. Conference of Mayors.

He told the participants that in its attitude toward the role of government, the Reagan Administration blames much of the nation's troubles on the rank-and-file government worker, who is made to suffer by its actions. He cited as an example the Administration's sharp cutbacks in the U.S. Employment Service at a time of severe and growing unemployment throughout the nation.

So far, there have been layoffs of 7,300 employment specialists and the closing of 600 employment offices across the nation in fiscal year 1982. That is in addition to 5,200 layoffs and the closing of 400 offices in 1981.

What Reagan has undertaken, Donahue warned, is to dismantle the government itself and to strip it of essential functions.

"And if this Administration has a distaste that amounts to contempt for the structure and functions of government and government workers, they have even less love for their unions and, in general, for all of the mediating structures that people have established in part to protect them in their relations with government."

AS FOR state governments, he said there are only a handful that treat their employees as first-class citizens in the area of collective bargaining. In general, he observed, labor-management relations in public service are in a state of chaos. With almost 16 million Americans employed at some level of government, that kind of chaos is not a minor matter, he said.

"Public employees in every jurisdiction are well aware of the immense problems that state and local government are undergoing as a result of inflation, recession, and above all the severe cutbacks in federal aid," Donahue said. "They stand ready to share in the search for solutions. They do not expect to find themselves exempt from the sacrifices that are necessary.

"They don't expect favored treatment, but they expect fair treatment," he stressed. "What this country needs is more and better collective bargaining, not less. It needs to strengthen all of the instruments which citizens carry on their dialogue with their government."

15,000 Seek 'Jobs, Justice' At Washington State Rally

Olympia, Wash. — More than 15,000 demonstrators jammed the capitol grounds here Jan. 20 in a rally for "jobs and justice" organized by the Washington State AFL-CIO to protest the harsh impact of Reaganomics and parallel policies of the Republican state administration.

The demonstrators focused particularly on the state's skyrocketing jobless rate, expected to hit 14 percent by February, and legislative attempts to cripple the state's workers' compensation system.

DOZENS OF community organizations including civil rights, religious, senior citizens and student groups joined in organizing the march—"Rally '82 for Jobs and Justice."

Nearly every charter bus in the state was booked to bring in marchers, State COPE Director Ross Rieder reported, and thousands of the demonstrators arrived in car caravans, many from hundreds of miles away.

Rieder said the rally would serve as the first step in a year of all-out political activism leading up to the November elections.

AFL-CIO SEC.-TREAS. Thomas R. Donahue, addressing the huge crowd gathered before the state legislative building, pinned responsibility for the growing recession on the economic policies of the Reagan Administration. He noted, however, that the hardships these policies have created for workers have spurred "a resurgence of labor solidarity" as evidenced by the rally, underscoring the determination of workers to be heard.

Washington State AFL-CIO President Marvin L. Williams noted that the crowd represented "the people of Main Street, Washington State. We come from towns where 50 percent of our people are out of work. We come from the cities where the disadvantaged and the elderly are told to fend for themselves."

Through the rally, Williams stressed, "we are asking this legislature to listen and to learn that the hardships and hard times hitting our people are beyond belt-tightening, they are cruel and unnecessary burdens that cannot be permitted any longer."

HE EMPHASIZED that the 1982 election campaign "starts here and now," and leaders who fail to listen to the concerns of the state's working people "will be turned out of office."

Sec.-Treas. William Lucy of the State, County & Municipal Employees noted that the crowd included many state workers who face the threat of layoffs under the policies of the current administration of Gov. John Spellman. He likened these to national Republican policies that he said "take from the needy and give to the greedy."

Many of the marchers followed up on the rally with personal visits with state senators and representatives who were asked to support programs to reduce unemployment and to oppose a renewed effort to determine the state workers' compensation system.

THE LATTER proposal, defeated in 1981, would change the system from an exclusive state fund to a "three-way" plan that would allow private insurance companies to write workers' compensation policies in the state and permit self-insurance by employers.

Among the largest contingents at the rally were members of the Woodworkers, whose industry has been experiencing unemployment above 30 percent in some areas as recession in the construction industry has forced the shutdown of sawmills and timbering operations.

Histadrut's Emissary Named for U.S., Canada

Meir Gatt has been named special representative to the United States and Canadian labor movements by Histadrut, the Israeli labor federation.

Gatt, 41, will act as an observer for Histadrut on trade union activities in the two countries, advise unions here on social and economic conditions in Israel and plan joint projects including exchange programs for working youth. He replaces Shimon Avizemer, who is returning to Israel after three years in the post.

Gatt has been national secretary of Histadrut's working youth movement and has served in local and national government posts in Israel.

IUD Arranges for Broadcast Of Squelched Safety Films

The AFL-CIO Industrial Union Dept. and six unions have arranged to transmit for public broadcast two films on safety and health that were suppressed by the Reagan Administration.

The award-winning films, "Worker to Worker" and "Can't Take No More," were commissioned by the Occupational Safety & Health Administration during the Carter Administration. In March 1981, the Reagan Administration had directed OSHA offices to suspend distribution of the films.

OSHA officials claimed the films didn't reflect current Administration policies. Supporters of the films charged the Administration didn't want workers to know their rights under the federal job safety law.

HOWEVER, after mounting public pressure, the Administration reversed its policy in December and re-released the films. Although the films now are available to the public from OSHA's national office in Washington, they still aren't available through its regional offices.

To insure that the films are in fact released to the public, the IUD group is offering the films to public television stations as a two-part series hosted by Ed Asner called "Withdrawn from Circulation." The programs will be transmitted via the Westar 1 satellite on Feb. 2. Most local PBS stations will tape the programs and then decide whether to use them, rather than airing them at the time of transmission.

"Worker to Worker" is a portrait of four people who are exposed to hazards on the job and go to OSHA for protection. "Can't Take No More" chronicles the history of job safety and health from the turn of the century, using rare archival footage.

THE SIX UNIONS involved in the project are the Steelworkers, Auto Workers, Oil, Chemical & Atomic Workers, Machinists, Communications Workers, and Screen Actors Guild.

IUD noted that a seldom-used provision in the 1978 Public Telecommunications Financing Act permits groups outside public broadcasting to rent time on one of the four channels PBS leases on the Westar 1 satellite.

RECUPERATING FROM INJURIES in a New York hospital, President Alvin E. Heaps of the Retail, Wholesale & Dept. Store Union works on union business with RWDSU Sec.-Treas. Lenore Miller. Heaps is showing rapid progress in recovering from the effects of a Dec. 30 pipe bomb explosion in his office.

Shift of Social Programs

Reagan Scored on Move To Scuttle Federal Role

(Continued from Page 1)

changed his mind after a meeting with a Chamber of Commerce delegation.

The AFL-CIO has urged a rollback of some of the corporate tax windfalls voted by Congress last year and a cap on the amount of the individual income tax reduction in order to finance economic recovery programs.

Reagan did propose a tightening of the minimum tax for corporations. But he said the scheduled tax cuts should go into effect, despite the deficit. More revenue would merely "encourage more government spending," he contended.

THE PRESIDENT said he will seek still further cuts in what he termed "nonessential" government programs and will abolish another 75,000 federal jobs—on top of the severe layoffs in progress.

Reagan said he will seek major cuts in federal "entitlement" programs "to bring their spiraling costs under control." But the budget savings will be achieved "without affecting social security," he said. One of the few rebuffs Congress gave to Reagan last year was its refusal to go along with his proposals to cut back future social security benefits, especially for persons retiring at age 62.

The President's proposal to realign national-state responsibilities was described at a White House briefing for reporters as part of "the Reagan revolution."

THE WHITE HOUSE conceded that the details of the proposal have yet to be fleshed out and that there are "1,000 little questions" still to be answered. But here's how it would operate in broad terms, if Congress should go along with the plan:

Starting in the 1984 fiscal year, the federal government would take over the administration and full funding of the Medicaid program which provides health care protection for persons on welfare and for other low-income persons made eligible under state law. The federal government already pays more than half the cost.

Presumably, although not spelled out, a national program would provide broader benefits in some states and less benefits to fewer people in other states.

AS THE OTHER half of the "swap," the federal government would end its matching financing of the Aid to Families with Dependent Children (AFDC) program—the basic public assistance program—and drop the federally-funded food stamp program. It would be up to the states to take up the difference.

The White House projects the cost of the swap to be comparable, with the states coming out a bit ahead on the deal.

Leaving public assistance to the states is a reversal of the welfare reform concept—initiated, ironically, under the Nixon Administration—of seeking greater uniformity in welfare benefits through a federal minimum payment.

BUT THE MOST drastic feature of the Regan plan would be achieved by a phaseout of most of the federal grant programs. The programs have not yet been specified, but the White House said they would include local mass transit grants, federal funds for water and sewer facilities, vocational rehabilitation and education, training and employment programs, health, social services, child nutrition, low-income energy assistance, noninterstate highways, airport funds, existing revenue-sharing and a number of educational programs other than the Title I program of aid to schools serving low-income households.

Initially, a trust fund would be established to fund these programs during the phaseout period. The money would come from existing federal excise taxes on gasoline, tobacco, alcoholic beverages and telephone service plus the oil industry windfall profits tax, which is already scheduled for a phaseout.

In the first stage, fiscal 1984 through 1987, states could draw from this fund to administer the federal programs they take over. Or, alternatively, they could withdraw from some or all of the federal grant programs and claim their share of the money in the trust fund to use as they wish, except that a portion of the money would have to be passed on to cities.

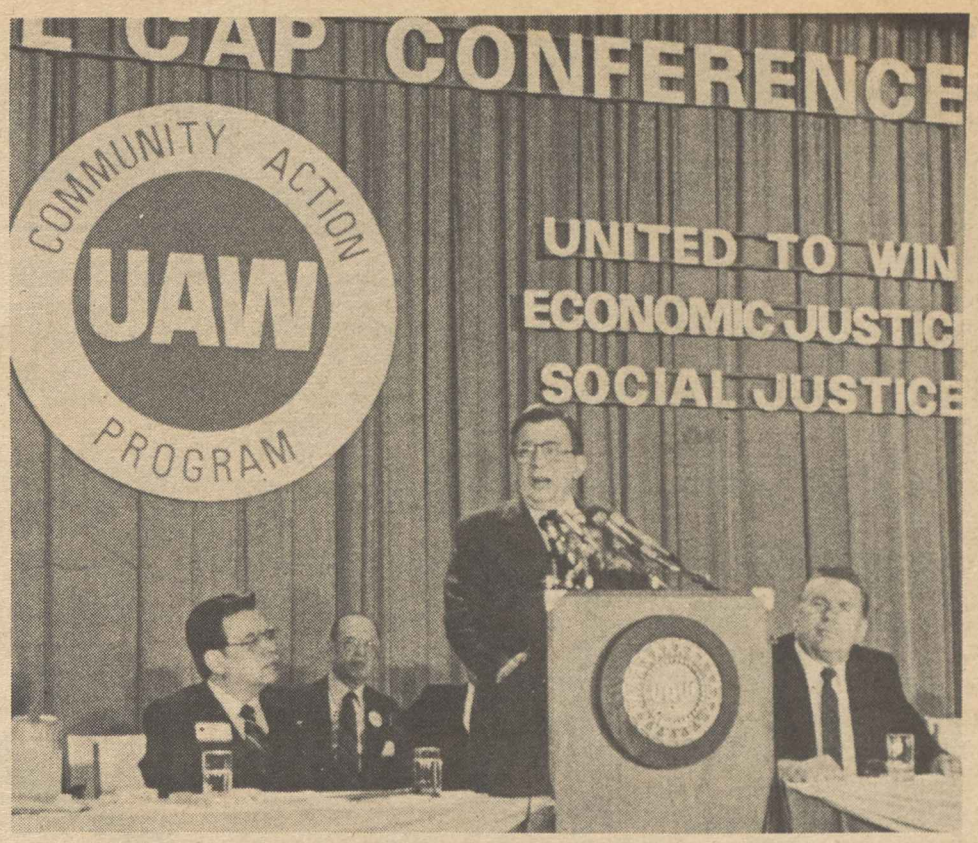
From fiscal 1988 to 1991, the trust fund would be phased out and federal excise taxes abolished, except for the portion of the gasoline tax earmarked for interstate highways.

It then would be up to the states to raise their taxes to fund whatever programs they wish to continue. But there would apparently be no obligation to do so.

Meanwhile, the federal government would be relieved of any obligation or expense.

Kirkland sharply criticized this abdication of constitutional responsibilities.

"At stake is the responsibility of the federal government in a modern industrial society," he said. "That responsibility cannot be shifted to the states or their subdivisions, to the private sector, or to voluntarism," he declared.



INEQUALITY IS the hallmark of the Reagan Administration, whose "supply-side" economic policies have resulted in the highest unemployment rate since the severe 1973-75 recession, AFL-CIO President Lane Kirkland told the Auto Workers national Community Action Program conference. UAW Sec.-Treas. Raymond Majerus is at right and CAP Director Henry R. Lacayo at left.

Campaign Promises Called Bitter Joke for Unemployed

The hope of balancing the budget and the promise of "jobs, jobs and more jobs" which Ronald Reagan made in the 1980 presidential campaign have turned into a bitter joke by the creation of massive unemployment, AFL-CIO President Lane Kirkland told delegates to the Auto Workers annual Community Action Program conference in Washington.

The Reagan Administration has pushed its "supply-side" economic policies, Kirkland charged, in the full knowledge that every one-percent increase in the jobless rate means a loss to the Treasury of $25 billion in lost taxes and $5 billion more in additional government outlays.

"OVER AND above that, it means a loss to the economy as a whole of $100 billion worth of goods and services that laid-off workers cannot produce," he added.

"As a result, in its first year, the Reagan Administration—which preached that government spending is the root of all economic evil and that federal deficits are the sole cause of inflation—has produced the highest deficits in history while wrecking vital programs and draining the public treasury."

Hard times for the auto industry and its workers must be overcome, Kirkland declared. The industry, which has suffered steady sales declines for over two years now, has a jobless rate of 22 percent, with thousands of workers permanently laid off.

IN ITS current round of bargaining with the industry, the UAW will need to exercise great wisdom, skill, and vision, Kirkland noted. He pledged to the delegates that whatever judgments and decisions the union reaches in the course of its bargaining, "you will have the full and unstinting support of all of your brothers and sisters in the AFL-CIO."

The entire American labor movement shares with the UAW a deep conviction that the nation cannot survive strong and free if its industrial manufacturing base continues to erode, Kirkland observed.

"Most particularly," he said, "it cannot afford to sacrifice, to predatory forces overseas and crackpot economic dogmas at home, an industry as vital to a healthy America as automobile manufacturing, which accounts—directly or indirectly—for one out of every six jobs in this country.

UAW President Douglas Fraser opened the four-day legislative and political action conference. Other labor speakers included AFL-CIO Vice President Joyce Miller, who heads the Coalition of Labor Union Women, and Jack Otero, vice president of the Railway & Airline Clerks.

CONFERENCE workshops were conducted featuring members of Congress knowledgeable on subjects ranging from industrial revitalization, the federal budget and Reaganomics to voting rights, occupational safety and health and the social security system.

Participating in the conference were UAW's top officers and regional directors, officers of the union's local, county and state CAP councils, local union leaders and staff members of the UAW's Community Action Program headed by Henry Lacayo.

Labor Dept. Halts Monthly Reports On Real Wages

The Bureau of Labor Statistics announced that it will no longer publish its monthly series on workers' real spendable earnings, the measure that organized labor uses to gauge changes in purchasing power. The December report was the last in the series.

BLS said it is discontinuing the series "because of the conceptual and methodological shortcoming related to the use of average earnings of all workers as a basis for computing the tax deductions for a married worker with three dependents filing a joint return."

THE DEPARTMENT said it will continue to publish inflation-adjusted hourly and weekly earnings before deductions on a monthly basis.

The AFL-CIO opposed elimination of the series and of other vital labor statistics BLS is dropping. Because of trimmed funding, the bureau will no longer issue its analysis of major union contracts nor its union directory. It also will report only on strikes by more than 1,000 workers instead of those involving more than six.

The AFL-CIO has charged that less reporting on strikes may violate the law requiring BLS to review "all" labor-management disputes.

"Good, sound economic policy and good, sound social policy depend on good, sound statistics," AFL-CIO Research Director recently testified.

"Without such statistics, we won't know where we are and we won't know where we are going."

Auto Workers Resume GM Bargaining

Detroit — The Auto Workers resumed negotiations with the General Motors Corp. in the second round of talks aimed at pulling the automobile industry out of its worst slump since the Depression of the 1930s.

The first round of bargaining broke off Jan. 20 when the two sides could not reach agreement on the economics of a settlement to replace the current pact that expires on Sept. 14. Similar talks with the Ford Motor Co., recessed later in the day.

IN THE NEW talks, the union set a deadline for agreement at midnight Thursday, Jan. 28. UAW President Douglas Fraser told reporters at a press conference following a meeting of the union's GM Council that the negotiations represented a "final, final chance" for the parties to reach an early agreement.

"If you don't do it this time, forget about it until July," said Fraser. Negotiations ordinarily would have begun six months from now, but the union decided to open talks early to explore ways of reviving the depressed industry. Domestic auto sales in mid-January were 15.8 percent below the year-earlier level, their lowest in 21 years.

SHORTLY AFTER initial talks opened on Jan. 11, GM and the UAW reached accord on the principle that all labor cost savings resulting from the negotiations would be passed on to consumers in the form of lower car prices to help stimulate sales. GM also agreed to let an independent accounting firm examine its books, to require equal sacrifice from all employee groups, and to protect union members from loss of jobs to foreign operations.

In announcing the resumption of talks, Fraser said the union is seeking a revised contract that would run only through September 1983. He called this goal "a basic tactical decision" based on the premise that the union will be "better off" at that date than at the current expiration date. The UAW is also calling for automatic renegotiations of any new contract if car sales improve sharply to a specified level.

EVEN IF THERE is not a new agreement with GM by the union's deadline, the UAW said it would resume new contract talks Jan. 29 with Ford.

Fraser said talks with GM had broken down over three issues—the extent of the reductions to be borne by the union, job security, and the size and duration of the price cuts to be instituted by the company.

Shirking the Federal Duty

THE PRESIDENT'S outrageous proposal to turn over a vast area of federal responsibility to the states must not go unchallenged or unexplained.

A White House official was close to the mark when he spoke of the proposal in terms of a "Reagan revolution," although counter-revolution might have been a more apt phrase.

Certainly, such a drastic realignment of federal and state roles deserves a more candid description than the President gave in his State of the Union address.

If his plan is enacted, Mr. Reagan said, "by 1988, the states will be in control of over 40 federal grant programs." Thus, "in a single stroke . . . we insure that these programs will be more responsive to both the people they are meant to help and the people who pay for them."

WHAT PROGRAMS? Well, as a starter, the White House listing includes both cash welfare assistance and food stamps, an assortment of health, child nutrition and social services grants, vocational rehabilitation, job training, mass transit assistance, sewer construction grants and low-income energy assistance.

There will be many more included, and the White House says it will be several months before the specifics of the plan are worked out.

The bottom line, though, is that there would be absolutely no obligation for the states to continue any of these programs or even replace them with home-grown alternatives. They could leave the poor to the strained resources of private charity or revive the county poorhouse if they so wish.

During a phaseout period, states could tap a federal trust fund to finance the programs or use the available money for any other purpose.

At the end of the phaseout, however, there would be no more trust fund. Anything the states wanted to do to continue or replace the federally-aided programs would have to be funded by new taxes voted by state legislatures.

THE REAGAN PEOPLE make a big thing of the fact that the federal government would drop most of the excise taxes it now imposes, thus opening up a new revenue source for the states. However, the states would not have to impose state excise taxes to replace the federal levy. And even if they chose to do so, this wouldn't make up for all of the lost federal revenue.

Since voting new taxes is no more popular among state legislators than among members of Congress, it's safe to assume that most federally funded programs turned over to the states would be abandoned or starved of resources. Again, the poorest states with the biggest problems would be worst off.

That's where President Reagan's new federalism leads. And it will be a tragedy if Congress takes the nation down that path.

Memo to President Reagan

"THE TEST of our progress is not whether we add more to the abundance of those who have too much; it is whether we provide enough for those who have too little."

—Franklin D. Roosevelt's second inaugural address, Jan. 20, 1937.

AFL-CIO News

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THOMAS R. DONAHUE, *Secretary-Treasurer*
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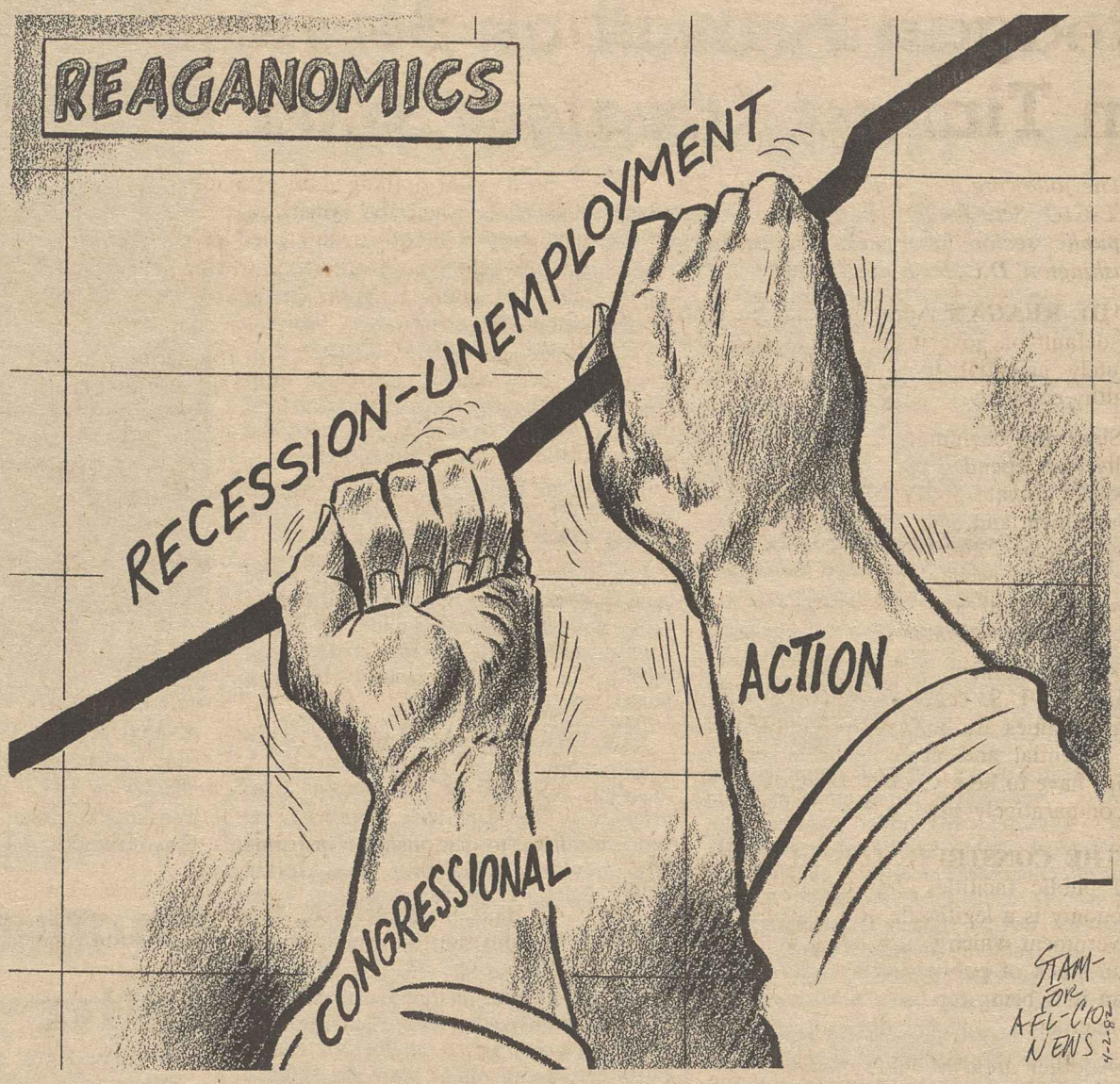
Time to Get a Grip



Court Eliminates Cap

Campaign-Financing Loophole Puts Presidency Up for Bids

By Gus Tyler

IT COST US at least $60 million in 1980 to help keep the presidency of the United States from going to the highest bidder with the most money. Almost $30 million went to Jimmy Carter and Ronald Reagan each to finance their campaigns for the White House. The money came out of the U.S. Treasury, out of the pockets of the taxpayers.

It is a lot of money. But it seemed worthwhile. The candidates for President would not be obligated to this big giver or that big giver but could feel free to say and do what they wished without fear that next time around they would be denied campaign funding for themselves or their party.

THE PUBLIC FINANCING of elections seemed the logical way to go to keep our democracy from becoming a plutocracy, to keep government in the hands of men and women and out of the grip of money.

But there was a loophole in the law—actually not in the law but in a decision of the Supreme Court in the case of Buckley versus Valeo. The court ruled that, if an independent committee was set up to raise and spend money on its own to back a presidential candidate, such an operation was not illegal.

The tricky part of this ploy revolves around the word, "independent." It is a committee that supposedly was not set up by the candidate or his official associates; it does not coordinate its work with the candidate's committees. It does its own thing in its own way—from raising money to spending it.

IN 1980, SUCH "independent" groups spent $13.7 million in the presidential election—almost all of it on behalf of Ronald Reagan.

In effect, this means that the ceiling on expenditures in presidential campaigns is no ceiling at all. The candidates who are getting millions from the Treasury so that there should be a ceiling can also be the beneficiaries of additional aid from the "independent" committees.

An organization interested in limiting the might of money in our democracy, Common Cause, decided to take this question back to the Supreme Court, hoping that the court would permit some kind of limit on the "independent" expenditures.

The original law put a cap of $1,000 on each independent committee. Common Cause pleaded that such a limit be legalized, so that while "independent" committees would not be outlawed, they would be checked in their influence.

In mid-January, the Supreme Court made its decision. By a 4-to-4 vote, it said, yes and no, because the justices disagreed. The ninth member of the court, the newly appointed Sandra Day O'Connor, abstained.

WHAT THIS MEANS is that, for the moment, there is no ceiling on "independent" expenditures because a lower court of three judges had so decided. The Supreme Court did not reverse them.

But with the high court so closely divided, there still is hope, hope that in a new case the court will rule that "independent" committees either be outlawed or limited, so that we do not once more fall into the practice of putting our government up for sale to the highest bidder.

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The Administration's 'Moral Meanness'

Increasingly, as the year progressed, it has become clear that the President's concept of domestic policy leaves little room for the fundamental American value of fairness. . . .

At the same time he was deliberately tilting economic policy toward the rich and powerful through the massively regressive tax cuts, he was systematically removing government assistance from some of the most needy and powerless.

The moral meanness of the Reagan Administration has been evidenced constantly; in its indifference to civil rights for blacks or equal rights for women; in its attack on legal services for the poor; and in the President's own cruel remark that those who cannot find good jobs or schools or services where they live should "vote with their feet" and move on.

Even when the Reagan Administration decided to distribute cheese to the poor, it did so . . . to cut government storage costs.

—From column by David S. Broder in the Washington Post, Jan. 20, 1982.

Default on Government Functions

Reagan Pulls Back Services In Time of Greatest Need

The following is excerpted from an address by AFL-CIO Sec.-Treas. Thomas R. Donahue to a public sector labor relations conference in Washington, D.C. on Jan. 25, 1982.

THE REAGAN Administration has chosen to default on government functions that are absolutely essential to a healthy society and a healthy economy.

Since the beginning, growth in economic activity has depended upon an adequate expanding stock of private and public capital facilities that complement and enhance each other. Public highways, bridges, and port facilities are essential to the health of private enterprise. So are water and sewage systems and mass-transit facilities in an age of energy scarcity.

At this moment, for example, while world demand for U.S. coal was never higher, obsolete port facilities are holding coal shipping far below its potential and vastly inflating costs, because ships have to lie at anchor for weeks to load even a comparatively small cargo.

THE CONSTRUCTION and maintenance of the public facilities that undergird the private economy is a legitimate and essential function of government which is not being met. So the common stock of public assets is deteriorating faster than it is being repaired, and economic recovery is hampered.

Another area in which our government is defaulting is protection of the weak from the strong. Over many generations, the government of the United States has evolved as a shield against the power of concentrated wealth. It has developed anti-monopoly regulations, pollution controls, protective standards that govern banking, shipping, housing and employment, food and drug and health-care standards, laws to protect workers and consumers, to regulate access to the airwaves and a thousand other things that have been put in place because they were found to be necessary to prevent human exploitation.

There has never been any doubt that providing and administering all of these functions is difficult and expensive.

IT IS A PARADOX of a complex, interlocking economy that government outlays are lowest when the private economy is most prosperous and highest during periods of recession. When the economy is working at a rate somewhere near full employment, there is less need for welfare administration, food stamps, unemployment benefits or public health services. In a full-employment economy, the federal tax income can easily handle the outlays for administration of public enterprise.

It is during hard times, with falling production, rising unemployment and a shrinking tax base, that the American people have to put greatest reliance on government resources.

So it seems nothing short of madness to choose this time, when the American people and their economy stand in greater need of their government's help than at any time in two generations, that the Administration chooses to deny all responsibility.

It does, in fact, blame all of the nation's troubles on the inadequacies of government, and specifically on the rank-and-file workers who keep government operating.

That isn't exactly new. Government workers have been scapegoats for the sake of political expendiency for a long time.

It is understandable that those who are unable to come up with creative policies to stabilize the wobbling economy would prefer to lodge the blame elsewhere. Instead of holding the people in charge responsible for solutions, voters were told to blame hard times on government workers who carried out the instructions of the elected leaders. Obviously, the ploy worked. At least it was swallowed by enough voters to elect an array of so-called fiscal conservatives who promised, in effect, to demolish the instruments of government, rather than make them work better.

WHEN GOVERNMENT programs go wrong, it's from the top down, not from the bottom up. To arouse the anger of businessmen against OSHA, all that's necessary is to picture OSHA regulations as foolish and pointless and pretend that the OSHA inspectors who are charged with carrying them out are the guilty parties.

To subvert the progress the country has made against racial injustice, all you have to do is announce that certain government employees in the Internal Revenue Service have exceeded their authority in denying tax exemption to segregationist schools, while ignoring the laws and court decisions that required them to act in no other way.

As you know, at this time of sky-high unemployment, the Administration has chosen to hamstring the U.S. Employment Service.

That exercise involves layoffs of 7,300 employment specialists and the closing of 600 employment offices across the nation in Fiscal 1982. That's in addition to 5,200 layoffs and the closing of 400 offices in 1981.

PUBLIC EMPLOYEES in every jurisdiction are well aware of the immense problems that state and local government are undergoing as a result of inflation, recession and above all the severe cutbacks in federal aid. They stand ready to share in the search for solutions. They do not expect to find themselves exempt from the sacrifices that are necessary.

They don't expect favored treatment, but they expect fair treatment. They expect to be listened to. And I believe that they will continue, in growing numbers, to perceive that the most effective voice they have is a strong and effective union.

For Battered Industries

Selective Import Restrictions Urged to Help Curb Recession

TEMPORARY RESTRICTIONS on imports of certain items should be a key part of the overall effort to stem the snowballing U.S. recession, AFL-CIO Economist Elizabeth Jager urged on Labor News Conference.

"Added penetration of U.S. markets," Jager said, threatens to further weaken the America's industrial base. She said the steel and automobile industries are among those most strained by the high volume of imports, particularly now, when they are struggling to marshal the massive capital investments needed to modernize their plants and processes.

Jager said that although the problems of these industries are not tied solely to the current recession, the steep economic downslide makes the need to act urgent.

The United States should take the action against "unfair, subsidized, dumped imports" that is provided for in current law, she stressed in noting that "it's a known fact that the governments of other countries are subsidizing their steel exports to the United States." American steel companies say these foreign subsidies run from $50 to $300 per ton, making it impossible to compete in that kind of situation, she said.

Jager said the Reagan Administration has earned poor marks in the trade area. She charged, for example, that the Administration has done "virtually nothing on shoes," refusing to extend even minimal controls. She said the Administration has followed the same kind of non-action course on "virtually every product category that needed help," including autos, where the White House showed no more than "very modest concern."

She pointed out that even the one cushion that workers did have against job-eroding imports—Trade Adjustment Assistance—"was virtually destroyed by the budget-slashing proposals of the Administration and the budget concessions in the Congress."

Washington Window

By Press Associates, Inc.

TO REMEMBER Franklin D. Roosevelt on the 100th anniversary of his birth is to almost forget Ronald Reagan.

FDR in his greatness stands with Washington and Lincoln. Winston Churchill, FDR's trusted ally during World War II, rated Roosevelt the greatest president of all because of his impact on world history.

As the Great Depression unfolded and unemployment grew by the millions, Herbert Hoover in 1930 announced: "We have now passed the worst." Hoover, though a humanitarian, was disbelieving; he said half the unemployed were either between jobs or not seriously seeking work. A hit song of the time was "Happy Days Are Here Again."

Unemployment reached an estimated 15 million by early 1933. "Hoovervilles" were everywhere. There were breadlines and soup kitchens. Hunger and evictions. Suicides. Broken families. People lost confidence in their country and themselves.

ROOSEVELT SENSED the despair. At his inaugural in March 1933, he declared: "This nation asks for action and action now." And act he did.

The first hundred days brought an "alphabet soup" of agencies: CCC, FERA, AAA, TVA, NIRA. Attracting the best talent in the land, Roosevelt moved to revive the financial, agricultural and industrial sectors.

Organized labor benefited by a provision in the National Industrial Recovery Act which gave legal protection to the right of workers to organize and bargain "through representatives of their own choosing." When the Supreme Court struck down the industrial act, FDR attacked the court's "horse-and-buggy" states' rights approach to national problems.

The year was 1935 and Sen. Robert F. Wagner (D-N.Y.) was convinced a strong labor law was necessary to deal with industrial turmoil, protect workers' rights, and give the National Labor Relations Board power to enforce its decisions and make anti-union employers obey the law. FDR signed the Wagner Act into law over the protests of industry and it was later upheld in the Supreme Court, 5-4. Millions upon millions of workers organized in the mass production industries and in the trades across the nation.

THE FAIR LABOR Standards Act of 1938 was enacted to deal with widespread employer wage-cutting. The law, popularized as "a floor under wages, a ceiling on hours and a break for kids," abolished the worst sweatshops and most child labor.

Roosevelt knew the strength of America was in its people and their well-being. He knew a democracy divided into rich and poor, between the powerful and powerless, could not survive in a world threatened by totalitarianism.

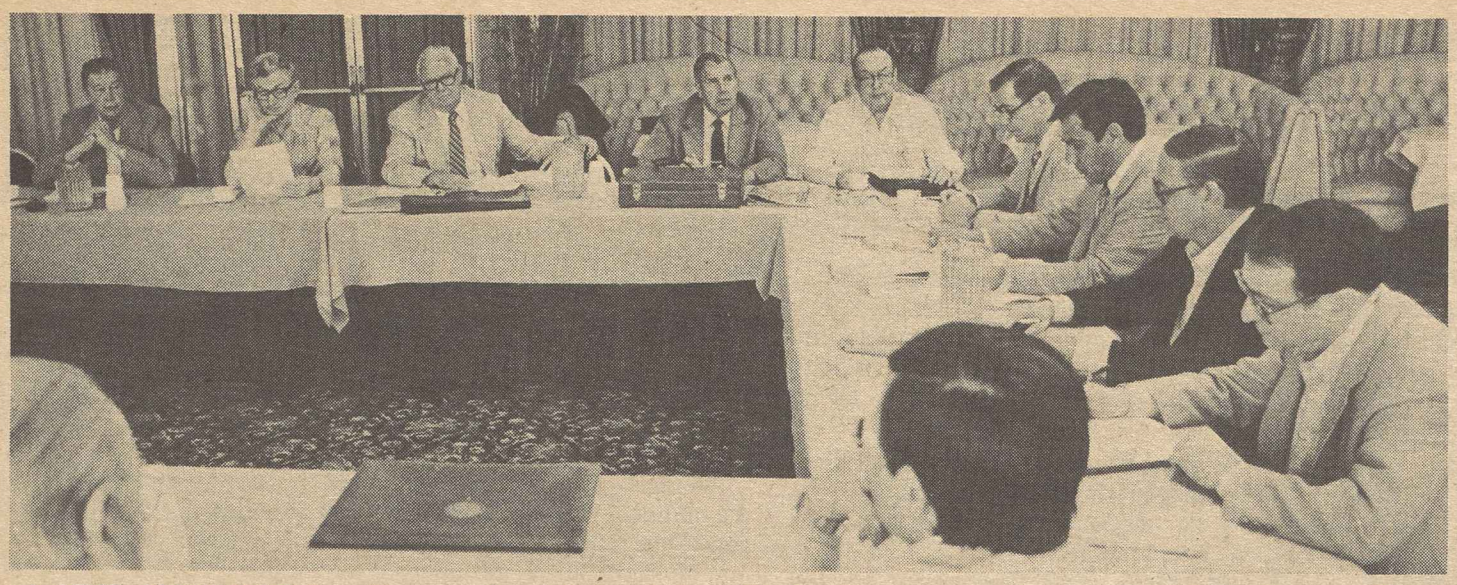
Today, President Reagan may be borrowing FDR's words, but his actions speak louder.

Foisting an untried economic theory on the nation, Reagan has shifted more wealth to the wealthy and more power to the powerful. He has brought on a recession, pushed millions into the ranks of the unemployed and brought on mass business failures.

REAGAN HAS USED the might of government to break a small union. He has nominated an anti-union consultant to head the NLRB. He has taken food from the mouths of children. He has cut education and science research. He has cut jobless benefits for the unemployed. He ended food stamps for one million people. He has cut programs for the elderly and attacked social security.

The American people, in their patience and generosity, have given Reagan more than a fair chance. As the consequences of Reaganism spread, they will see and reject its negative policies and will rebuild the programs that strengthen democracy, as they always have.

THE SNOWBALLING recession underscores the need for temporary restrictions on imports that threaten to further weaken the U.S. industrial base, AFL-CIO Economist Elizabeth Jager, center, said on Labor News Conference. Questioning her on the AFL-CIO produced public affairs interview program were Jane Seaberry of the Washington Post and Robert Cooney of Press Associates, Inc. Labor News Conference is broadcast weekly over the Mutual radio network.



A NEW APPROACH to settlement of jurisdictional disputes among building and construction trades unions was developed at a meeting of the Building & Construction Trades Dept.'s governing board in Palm Springs, Calif. BCTD President Robert A. Georgine said the plan would be presented to employers next month.

Craft Unions Shape New Disputes Plan

Palm Springs, Calif.—Presidents of the 15 building and construction trades unions have developed a "new approach" to the Impartial Plan for the Settlement of Jurisdictional Disputes and will present it to employers at a Bal Harbour, Fla., meeting Feb. 12, President Robert A. Georgine of the AFL-CIO Building & Construction Trades Dept. announced.

In an attempt to iron out difficulties that have hampered operations of the disputes plan for over a year, the Governing Board of General Presidents spent two full days of their five-day quarterly meeting here Jan. 18-22, discussing the situation.

"WE HAVE developed something that is somewhat of a departure from the existing plan," Georgine said.

Three prominent political leaders were among the individuals who spoke at the closed sessions—House Speaker Thomas P. O'Neill, Gov. Jerry Brown of California, and Mayor Tom Bradley of Los Angeles.

Georgine reported that O'Neill was highly critical of a number of budget cuts proposed by the Reagan Administration. He said the department's own legislative report said "the implications of these massive budget cuts and others proposed to run through 1984 suggest grave consequences as they are applied to local public works, highways, water projects, port development, public housing, synthetic fuels programs and all of the other federal and federally-assisted construction programs that have been a substantial part of the overall construction activity in the United Staes for many years."

CONTRACT maintenance, organizing, pension investments and issues facing the construction industry in the 1980s also received the attention of the general presidents, Georgine said. Plans were discussed for the department's legislative conference to be held in Washington, Apr. 4-7.

Coalition Charges Administration Tramples Consumer Protections

The Reagan Administration "rode roughshod" over the American consumer in 1981, and rights and protections stand to be trampled even more this year, a consumer coalition charged.

The labor-supported coalition, made up of seven consumer organizations with 33 million members, released a report, "Warning: Reaganomics Is Harmful to Consumers" on what it called the Administration's "devastating" record in its first year in office.

BUDGET CUTS have slashed or ended many programs and protections designed to aid consumers, the report points out, and the Administration has pulled back or failed to enforce many protective regulations, at the same time weakening the agencies responsible for them.

The Administration has been unwilling to protect consumers from market forces or practices that have led to steep increases in the costs of such necessities as food, housing, health care and energy, the 51-page report charges.

Organizations in the coalition include the Consumer Federation of America, National Consumers League, National Council of Senior Citizens, Consumers Union, Congress Watch, Center for Science in the Public Interest and Community Nutrition Institute.

Its review of the Reagan Administration's record concentrates on twelve critical areas that have been adversely affected by the Administration's economic policies: food, health, energy, housing, credit, transportation, product safety, business practices, antitrust regulations, communications, information and education, and citizen participation in consumer legislation and rule-making.

WITH THE report, the coalition announced a 12-point consumer agenda for 1982 outlining "issues on which we intend to fight actively; rights and protections we intend to preserve."

Among those priorities will be efforts to preserve a strong role for the Federal Trade Commission; prevention of deregulation of natural gas prices; new product safety programs, and strong clean air, food and automobile safety standards.

The coalition said it will also fight budget cuts in programs that aid the poor, elderly and needy, including nutrition programs, legal services, housing and energy assistance as well as social security and Medicare.

In its review, the coalition points out that occupational safety and health have been among the casualties of the Reagan Administration's drive to provide "regulatory relief" to industry from those rules it finds "burdensome."

THE STANDARDS that aid or protect workers, such as regulations on exposure to cotton dust or rules to give workers information on hazardous substances in the workplace, have been pulled back, the report notes.

At a press conference following release of the report, Sandra L. Willet, executive vice president of the National Consumers League, said consumers are not only not better off than they were one year ago, but now are "forced to live with their fingers crossed hoping to avoid injury, death and financial hardship."

Also cited in the coalition's review of the Administration's record of "harm to consumers" are its actions to:

- Stop a rule to protect children from exposure to asbestos in their schools.
- Cut the budget for the Consumer Product Safety Commission.
- Cut health maintenance, screening and care programs, including protections for senior citizens in nursing homes.
- Slash the national school lunch program and the food stamp program.
- Delay or eliminate major auto safety and air safety rules.
- Seek repeal of the Federal Communications Commission's "fairness doctrine" to assure balanced presentation by broadcasters of all points of view on critical issues.
- Halt consumer protections in federal regulations for variable and adjustable rate mortgages.
- Eliminate major consumer information and education programs.

Copies of the full report are available from the organizations participating in the coalition.

February Calendar Listed By Labor Studies Center

The George Meany Center for Labor Studies offers four training institutes for fllltime union officers and representatives in February. In addition, four AFL-CIO unions and the American Institute for Free Labor Development (AIFLD) will use the campus for programs during the month. Two off-campus programs also will be offered. The schedule:

Unions and the Quality of Work Life, Feb. 8-11—A four-day seminar on the union's role in quality circles, autonomous work groups, QWL Committees and profit sharing.

Organizing Techniques, Feb. 21-26—A review of elements in a successful organizing campaign.

Negotiating Techniques, Feb. 21-26—An opportunity for negotiators in private sector unions to sharpen their bargaining skills. A simulated negotiating session with federal mediators present will be videotaped for review and comment.

Arbitration: Preparation & Presentation, Feb. 28-Mar. 5—An opportunity to prepare a case for hearing, present it before a professional arbitrator, then hear the arbitrator's comments and suggestions.

Unions using the campus for their own leadership training during February are the Association of Flight Attendants, Feb. 8-11; the Newspaper Guild, Feb. 12-19; Carpenters, Feb. 16-19; Communications Workers, Feb. 21-24 and Feb. 28-Mar. 12.

Forty Spanish-speaking trade union leaders from Latin America will be on campus all month for the 100th leadership development class sponsored by AIFLD.

Off-campus activities include a pension investment institute at New Orleans and an institute for Building Trades business agents at the University of Oregon, Eugene.

Information on these and other labor studies programs may be obtained from Fred K. Hoehler, Jr., executive director, George Meany Center, 10000 New Hampshire Ave., Silver Spring, Md. 20903. Telephone 301/431-6400.

Rex Hardesty Named To Information Post

AFL-CIO President Lane Kirkland has named Rex Hardesty, the associate editor of the Federationist magazine for the past 12 years, to the Dept. of Information position of assistant director for public relations.

Hardesty, 44, joins John M. Barry, the managing editor of the AFL-CIO News, as one of two assistant directors in a department headed by Murray Seeger.

Kirkland named Seeger director of the department effective with the retirement of Saul Miller Jan. 15, 1982. Hardesty fills a slot held until July 1981 by Allen Y. Zack.

A member of the Newspaper Guild since 1964, Hardesty is a native of Oklahoma and was a sports writer for the Tulsa World and Washington Star before becoming editor of the CWA News in 1967. He left the Communications Workers to become associate editor of the Federationist in July 1969.

High Court Stay Leaves Questions On ERA Battle

Supporters of the Equal Rights Amendment won one and lost one when the Supreme Court put a hold on the ruling that would have stopped the ratification process cold but refused to hear appeals of the case on an emergency timetable.

The court stayed the Dec. 23 ruling by U.S. District Court Judge Marion Callister in Idaho that Congress acted unconstitutionally when it extended the ratification deadline from 1979 to June 30, 1982. Judge Callister had also ruled that states could change their minds on ratification votes any time until the amendment was actually ratified by the necessary three-fourths of the states.

THE NATIONAL Organization for Women, backed by the AFL-CIO, the Coalition of Labor Union Women and other supporters of ERA, appealed the ruling to the high court, urging that it be reviewed quickly to remove uncertainty for state legislatures debating action on ERA.

Thirty-five of the needed 38 states have voted for ratification, but five states claim the right to rescind their votes. The Supreme Court's action means the "yes" votes of those states will remain on the books until the court acts on the appeal.

However, the high court's refusal to grant an expedited hearing on the merits of the appeal means that a final ruling will be delayed until after the June 30 deadline for ratification.

The Justice Dept. also appealed the Idaho ruling, but did not seek a speedy review. The government and NOW were the original defendants in the case brought by the states of Idaho and Arizona.

Voting Rights Battle Opens 2nd Session

(Continued from Page 1)

The house bill makes clear that a change that brings about a discriminatory result by freezing minorities out of the political process is illegal without the need to produce proof of motive.

Smith also asked the Senate panel to devise an easier means for states to free themselves permanently of federal election law supervision than the House bill would provide.

On the issue of school segregation, civil rights groups were outraged when Reagan reversed the government's longstanding policy and restored tax-exempt status to private schools and colleges that practice discrimination.

REAGAN ACTED at the behest of right-wing southern supporters. But when a storm of protest arose, he sought to defuse the issue by asking Congress to enact legislation that would deny tax exemptions to discriminatory schools.

But the civil rights coalition wants no part of any such legislation.

Their position—in accord with labor's view—is that the Civil Rights Act already prohibits tax favors and any other form of federal aid to segregated private schools. That's also the interpretation given over the years under both Republican and Democratic Administrations, and sustained by a series of court decisions.

Therefore, no legislation is needed and Congress should not get embroiled in an already settled issue.

STILL ANOTHER civil rights controversy will be before the Senate early in the session—resumption of debate on a Justice Dept. appropriations bill that includes an amendment to prohibit federal courts from ever ordering busing as a tool to overcome racial imbalance, even if no other means is available to rectify past discrimination.

This effort to tie the hands of the judiciary branch of government sparked a filibuster in the last session, but supporters of the amendment mustered the 60 votes needed to limit debate.

NEWSPAPER GUILD'S Heywood Broun Award winner William Ritz of Denver Post is congratulated by Daniel Schorr, right, one of the contest judges. Ritz earned the prize, including a $1,000 check, for a series of articles exposing the "ripoff" of billions of dollars in oil from fields owned by Indian tribes and state and federal governments.

Series on Oil Ripoffs Wins Newspaper Guild Award

More than 80 articles exposing the loss of billions of dollars in oil fields owned by Indian tribes and state and federal governments earned Denver Post reporter William R. Ritz, the Newspaper Guild's Heywood Broun Award for 1981.

The award—$1,000 for Ritz and a citation for the newspaper—was presented at a luncheon at the National Press Club the opening day of the Guild executive board's winter meeting.

Ritz's entry was selected from among 154 in the annual competition, established 41 years ago in memory of the Guild's founding president.

WHILE MANY of the entries helped right a wrong or correct an injustice, major criteria for the award, the focus of Ritz's "superb" articles included an injustice "peculiarly relevant to our time—a large-scale injustice involving the ripoff of oil from Indian leases," the judges said in announcing their choice.

Ritz's articles and his year-long investigation of problems in the oil fields were touched off last January when he went to Wyoming to investigate complaints by the Shoshone and Arapaho Indian tribes that oil was being stolen from their leases.

By year's end, Ritz, the Post's energy writer, had uncovered patterns of:

- Thefts of up to $6 billion a year in crude oil from oil fields for sale to refineries, marine terminals and petro-chemical plants.
- Thefts of up to $1 billion a year in drilling and production equipment, nourishing a thriving black market that sometimes sells equipment back to theft victims.
- Delinquent royalty payments by a dozen oil companies for crude oil pumped from Indian, federal and state lands totalling more than $8 million.
- Half-hearted efforts by the U.S. Geological Survey to assure payment of the billions of dollars in oil royalties due Indian tribes, state and federal governments.
- Inadequate control of their own oil fields by virtually all oil-producing states.

THE PROBLEMS Ritz documented brought creation of a federal commission to investigate them and recommend solutions, triggered probes by House and Senate committees, investigations by three states and several indictments and pleas of guilty to oil theft.

Judges of this year's award entries were: Daniel Schorr, senior correspondent for Cable News Network; Georgie Anne Geyer, syndicated columnist and author; and Albert A. Eisele, former Washington correspondent and now with the Center for National Policy.

Real Earnings Of Workers Slump 3.3%

The buying power of the American worker's paycheck slipped 3.3 percent last year despite a moderation of inflation.

Consumer prices rose 8.7 percent during 1981, down from 12.4 percent the previous year and the smallest increase since 1977. But wages continued to trail prices, although the loss in buying power was less than the 4.8 percent decline workers suffered the previous year.

A WORKER with three dependents earning the average factory wage had "real" earnings—takehome pay expressed in 1977 dollars—of $146.29 in December. That was $4.92 less than a year earlier. A single worker with no dependents had a $3.87 loss by the same measurement.

In the month to month tally, real earnings were down five-tenths of 1 percent from November to December and prices were up three-tenths of 1 percent. A drop in hours worked helped push down earnings.

The slowing of the inflation rate was attributed largely to the pressure of recession, ample harvests, an actual decline in meat prices, and moderate fuel price increases despite the decontrol of domestic oil prices.

RISING JOBLESSNESS and weak growth in overall personal income reduced consumer demand over the year, thus taking pressure off prices. The Bureau of Labor Statistics, which reported on the latest price rises, issued a list of city inflation rates indicating that prices rose by the smallest amounts in those communities hardest hit by the recession, notably Detroit, Chicago and Cleveland.

The 8.7 percent rise in the CPI for 1981 followed surges of 12.4 percent in 1980, 13.3 percent in 1979, 9 percent in 1978, and 6.8 percent in 1977. The biggest price break last year was in food and beverage prices, which rose 4 percent, or less than half the 10.1 percent jump in 1980.

FOUR OF THE seven major categories measured by the CPI, however, rose more than average for 1981. Medical care and transportation costs were up 11.3 percent over the year. Housing became 10 percent more expensive, and a miscellaneous category of goods and services went up 9.2 percent.

For December alone, food and beverage costs rose four-tenths of 1 percent, about the same as in October and November. Howeownership costs rose a slight two-tenths of a percent, largely due to a 1.2 percent increase in property taxes.

Medical care costs were up seven-tenths of 1 percent in December. Clothing and upkeep declined one-tenth of a percent. Entertainment prices were unchanged.

Kirkland Sees Federal Cuts Weakening Voluntary Efforts

New York—Active government leadership "in securing social justice and providing a real safety net for the needy" stimulates citizens to support private community services agencies, AFL-CIO President Lane Kirkland said in a message to a March of Dimes audience here.

"A humane government is an instrument forged by caring citizens as an expression of their finest social impulses," Kirkland stressed in a speech accepting the March of Dimes Birth Defects Foundation's Franklin Delano Roosevelt Memorial Award. The address was delivered by AFL-CIO Community Services Director Walter G. Davis when a transportation delay prevented Kirkland from attending the award ceremony.

KIRKLAND NOTED that President Roosevelt and his successors Truman, Kennedy and Johnson "took seriously the constitutional obligation of government to promote the general welfare, as well as to provide for the common defense."

Their actions, he said, put federal resources to work "in the war against poverty, hunger, ignorance, hatred and disease," and "inspired and encouraged" individuals and voluntary organizations to help the needy.

He charged that the Reagan Administration is pursuing a radically different philosophy, stripping away protections "from the consequences of an uncontrolled market economy" and dismantling social programs established over the last 50 years.

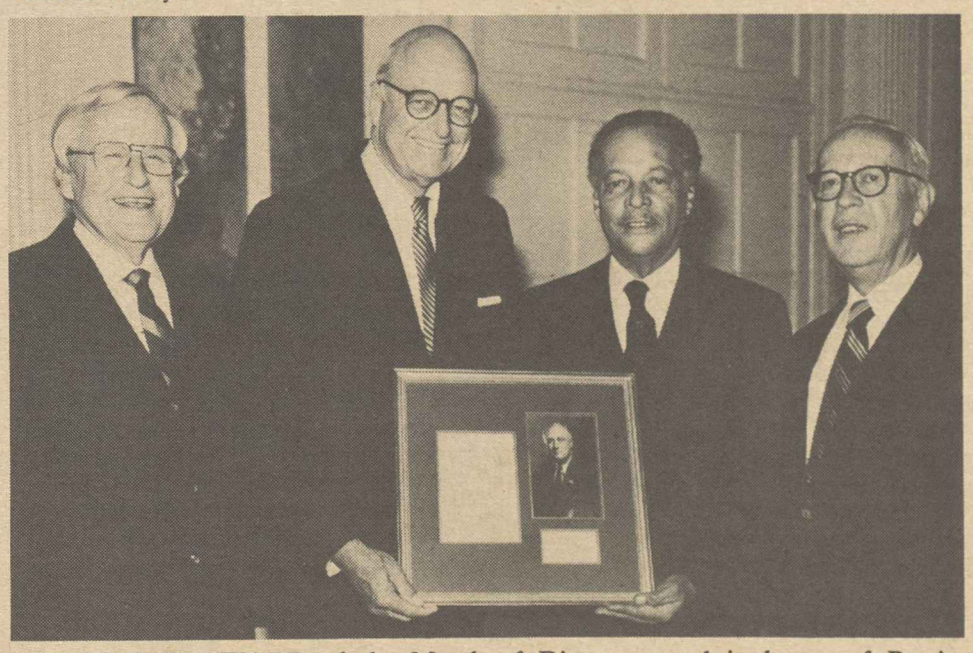
KIRKLAND POINTED out that despite the Administration's "preaching" about "voluntarism" and the responsibilities of private citizens to support private agencies, "we are also being told that no citizen has any right to expect any help or concern from his government" and that "government is a thing apart that has nothing to do with the people except to distribute tax money to the Fortune 500."

Cuts in public health programs increase the burdens on private agencies, Kirkland pointed out. The work of organizations such as the March of Dimes will be made harder by cuts in such programs as prenatal and nutrition aid for young mothers, pediatric care and aid to families with dependent children, he said.

THROUGH SUCH cuts, he observed, "the Administration is in effect guaranteeing an increase in birth defects, malnutrition and other handicaps that will afflict the next generation."

Kirkland said tax cuts that enable the wealthy to keep more of their income for personal use "tempt those most able to give to give less" at a time when contributions are most needed. He added that inflation and unemployment are also "increasing the pain of sacrifice" among workers.

Although the resources of private agencies and the AFL-CIO Community Services network will be severely strained, Kirkland said, "the Administration's bad example" will not change the national concern for helping the needy or the labor movement's belief that "through organization, the weak and the poor can help themselves, and protect themselves from the powerful and the greedy."



MEMORIAL AWARD of the March of Dimes, named in honor of President Franklin D. Roosevelt, was given to AFL-CIO President Lane Kirkland in recognition of labor's support for the agency whose efforts eradicated polio and are now fighting birth defects. From left, are March of Dimes President Charles Massey; James Roosevelt, son of the late president; AFL-CIO Community Services Director Walter G. Davis who accepted in Kirkland's behalf at a banquet in New York; and Harry Green, son of former AFL President William Green and March of Dimes chairman emeritus.

Stronger Sanctions

'Further Steps' Urged Against Poland, Soviets

(Continued from Page 1)

unions had been drawn up in 21 cities.

In addition to the U.S. events, reports from the State Dept. indicated public assemblies and other shows of support were being planned in at least a dozen other countries, including Britain, West Germany, Japan, Iceland, Canada, Spain, Denmark, Belgium, Austria, Italy, Korea, and the Netherlands.

The largest U.S. demonstration was planned in Chicago, where an estimated 600,000 Polish-Americans reside. Slated to participate in the program at the International Amphitheater were Kirkland, Secretary of State Alexander Haig, Longshoremen's President Thomas W. Gleason, President Aloysius A. Mazewski of the Polish-American Congress, and Msgr. George G. Higgins of Catholic University, who attended Solidarity's national congress last year.

SEC.-TREAS. Thomas R. Donahue was set to address another big rally in New York City, along with Gov. Hugh Carey, Mayor Edward Koch, Teachers President Albert Shanker, AFL-CIO Regional Director Michael Mann, and Chairman Bayard Rustin of the A. Philip Randolph Institute.

Other rallies were scheduled in Cleveland, Boston, Fort Worth, Houston, Denver, Milwaukee, San Francisco, Detroit, Buffalo, New Castle, Pa., Sacramento, Calif., Columbus, Ohio, New Haven, Conn., Philadelphia, Pittsburgh, Washington, D.C., Minneapolis, and Yonkers, N.Y.

In many cities, mayors and governors planned to issue proclamations declaring Jan. 30 International Solidarity Day and pledging support for the Polish workers. In addition to labor leaders, scheduled speakers included representatives of Polish-American groups and, in certain cities, Solidarity members who were out of Poland when the junta headed by Gen. Wojciech Jaruzelski imposed military rule on the country's 35-million inhabitants last month.

Protestant, Catholic, and Jewish leaders were to join with Kirkland at a noon Jan. 29 press conference at AFL-CIO headquarters to detail the support activities of the American religious community in behalf of the Polish workers. They included Msgr. Francis J. Lally of the U.S. Catholic Conference, Dr. David Preus of the American Lutheran Church, Rabbi Alexander Schindler of the Union of American Hebrew Congregations, Methodist Bishop D. Frederick Wertz of Washington, D.C., and Rabbi Israel Miller of the National Jewish Community Relations Advisory Council.

IN CANADA, the Canadian Labour Congress planned demonstrations of support in Ottawa and in other major cities.

The Icelandic Federation of Workers planned a major Polish workers' fund-raising effort in connection with rallies. The German Trade Union Federation, one of the first European labor federations to castigate the Polish government for its crackdown on Solidarity, planned demonstrations at both the national and local levels.

In Tokyo, ICFTU President P. P. Narayanan and Gen.-Sec. Otto Kersten were listed as key speakers at a Solidarity Day demonstration planned by the Japanese Confederation of Labor (Domei). Belgium's two major trade union centers, the Socialist Trade Union Federation and the Catholic Trade Union Federation, planned vigils in front of the Polish embassy in Brussels to protest the continuing imprisonment of Polish union leaders.

PICKET LINE at the Soviet consulate in San Francisco demands freedom for imprisoned members of Poland's Solidarity trade union federation. That's the message of the sign carried by AFL-CIO Sec.-Treas. Thomas R. Donahue, right. With him in the front row are John Curtis, western director of the American Trade Union Council on Histadrut, and John F. Henning, center, executive secretary-treasurer of the California AFL-CIO. Members of the Polish-American community took part in the demonstration, which called for stepped-up sanctions against the Soviet Union as the instigator of the oppression.

Labor Presses Moves to Foster Creation of Jobs

(Continued from Page 1)

- Cancel the newly-enacted "oil windfall profits tax giveaways to wealthy oil royalty holders."

OSWALD NOTED that an estimated 1.2 million persons aren't counted in the official unemployment tally because they have "stopped looking for jobs because the needed jobs don't exist."

But even the official count of 9.5 million unemployed "is the iargest number of jobless since the Depression of the 1930s," he testified.

Labor's alternative to the Reagan program, he insisted, can "stop the economic waste" of recession "and put America back on the road to full employment and healthy economic growth."

Reagan's Corporate Tax Cut Poses State Revenue Pinch

Annapolis, Md.—States with tax laws linked to the federal pattern face shrinking revenues and compounded inequities, the Maryland AFL-CIO warned at a legislative hearing.

Maryland is one of a number of states that use federal definitions to determine income subject to the state's corporate and individual income tax. State AFL-CIO President Thomas Bradley urged that the tie be loosened to avoid duplicating the damage done by the Reagan Administration's tax changes at the federal level.

HE URGED the state senate's Budget & Tax Committee to make needed changes in state law to prevent a shift in the tax burden from corporations to low-income and middle-income households.

Bradley was accompanied at the hearings by Arnold Cantor, assistant director of the national AFL-CIO Dept. of Economic Research and the federation's tax policy specialist. The AFL-CIO witnesses warned of the needless revenue loss that would result from copying the changes in the depreciation formula made in the federal tax law.

The fast writeoff of the value of property and equipment "totally destroys the concept of business income for tax purposes," Bradley testified. He said the revenue the state loses "ends up subsidizing investments that would take place anyway, providing cash to buy up other companies, increasing dividends, investing overseas, speculating or financing relocations that destroy jobs and blight local communities."

IN MARYLAND, the AFL-CIO testimony noted, conformity to the federal depreciation system will cost the state $77 million a year in corporate income tax losses by 1986 and more than double that amount if the tax returns of unincorporated businesses are included.

The AFL-CIO witnesses urged the legislature not to be intimidated by "dire threats of plant shutdowns and relocations," noting that "study after study has shown that state taxes do not affect plant location decisions."

Bradley and Cantor also urged the legislature not to match the federal government's tax exclusion for funds invested in individual retirement accounts (IRAs).

"UPPER INCOME individuals will merely receive added windfalls for continuing to do what they are already doing —building up their bank accounts," Bradley noted.

Ironically, the AFL-CIO witnesses noted, Maryland does not copy the more progressive feature of federal tax law. Thus, conforming to the Reagan Administration tax changes "amounts to the acceptance of all that's bad in the federal structure and the rejection of the good," they pointed out.

OSHA Assailed on Farm Standard Delay

A coalition of labor, industry, health professionals, insurance companies and consumer and environmental groups has sharply criticized Labor Dept. efforts to delay a field sanitation standard for farm workers.

Representatives of the Coalition for Health and the Environment warned at a press conference that the Occupational Safety & Health Administration's failure to require drinking water, portable toilets and handwashing facilities for farm workers is threatening the health of some five million agricultural workers and the public.

As the result of a suit filed by the National Congress of Hispanic American Citizens and individual farm workers, the U.S. District Court for the District of Columbia last Oct. 30 ordered Labor Sec. Raymond Donovan and OSHA to complete a field sanitation standard within 18 months. The Labor Dept. promptly appealed the decision, a move which may stall the standard another few years.

OSHA chief Thorne G. Auchter told the court the agency intended to issue a standard, but it would take another five years to complete studies and develop a standard because the agency has other priorities.

Margaret Seminario, industrial hygienist for the AFL-CIO charged that Auchter's "other priorities" apparently include weakening the cotton dust, lead, medical records access and cancer standards, and these are the reasons OSHA "cannot spare the time" to work on field sanitation.

OSHA's delay on field sanitation "marks another failure by the Reagan Administration in carrying out its duty to protect the health and safety of American workers," she said at the press conference.

U.S. District Judge June L. Green, in her strongly worded decision against the Labor Dept. and OSHA, said there is a consensus of expert medical opinion and evidence that "significant health hazards" result from working without adequate drinking water under hot weather conditions and from the lack of toilet and handwashing facilities. She cited urinary tract infections, parasitic and infectious diseases, heat exhaustion, heat stroke and pesticide poisoning.

Chiding OSHA for "irrational" and "bad faith" delays in developing the standard, Judge Green said OSHA's timetables for such a simple standard "belong in Alice in Wonderland's tales: each step forward brings us two steps backward."

She cited a report to OSHA by the National Institute for Occupational Safety & Health which said that requiring proof of a causal relationship between lack of basic sanitation and increased disease and health disorders is "asking OSHA to reinvent a wheel that has been rolling for approximately 130 years."

Only eight states currently require growers to provide sanitary facilities: California, Texas, Connecticut, New Jersey, New York, Pennsylvania, Oregon and Idaho. Enforcement of state laws requires prosecution at the county level.

However, the coalition said there have been no county prosecution cases, and the state standards are not being enforced. For this reason and because other major agricultural states, such as Florida, have yet to require sanitation standards, the coalition said it will continue to support the plaintiffs in the case aganst the Labor Dept. and to push OSHA for a federal standard.

British Joblessness Climbs to New Peak

London—Unemployment in Britain topped the 3-million mark in January for the first time ever, resulting in angry outcries against Prime Minister Margaret Thatcher and her Conservative Party.

The government reported that joblessness, unadjusted for seasonal variations, totaled 3,070,621, or 12.7 percent of the British labor force, up from 2,940,703, or 12.2 percent in December. On a seasonally adjusted basis, the January rate was 11.7 percent, compared with 11.5 percent last month.

Seasonally adjusted joblessness has risen every month for more than two years in Britain under Thatcher's monetarist policies and budget cutbacks. Her programs are similar in principle and concept to those of the Reagan Administration, whose policies have led to a near post-World War II record 8.9 percent jobless rate in the United States.

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World-Wide Rallies Back Poles In Struggle Against Oppression

1,000 WASHINGTON MARCHERS carrying the banner of the Polish labor union federation on the Day of International Solidarity wound their way to Lafayette Park in front of the White House, where they draped the banner around the statue of Polish Gen. Thaddeus Kosciuszko, a hero in the American Revolution. The Washington march and rally were among dozens across the country and the world in support of free trade unionists in Poland.

Free Unions Hail Stand Of Solidarity

By James M. Shevis

Thousands upon thousands of free workers around the world rallied and demonstrated on a Day of International Solidarity to declare unwavering support of the Polish workers and condemn their suppression by the Polish military regime.

The Jan. 30 demonstrations, demanding an end to the martial law imposed on Poland Dec. 13 and the release of leaders of the Solidarnosc (Solidarity) labor movement, were in response to an appeal from exiled Solidarity leaders to the International Confederation of Free Trade Unions for the show of support.

"SOLIDARITY'S FIGHT, which is also a fight for its very existence and therefore for Polish workers—a fight that the Polish authorities can no longer conceal from the outside world—will be the spearhead of the international trade union campaign," the ICFTU said in a statement on behalf of its 130 affiliated organizations throughout the world.

"Our sisters and brothers in Poland are fully aware that, despite the government's efforts, they are not isolated."

The AFL-CIO, as a member of the ICFTU, joined Polish-American groups and religious organizations in sponsoring rallies, parades, vigils, and other events in support of the Polish workers in dozens of communities in the United States.

Abroad, there were gatherings in several British cities, in Tokyo, Vienna, Copenhagen, Brussels, The Hague, Berne, a number of Australian cities, and about 100 communities in West Germany.

"IN EVERY state of the union, in every major city of America, the Solidarnosc banner is now being raised," AFL-CIO President Lane Kirkland said in Chicago

(Continued on Page 3)

Surge in Unemployment Spurs Emergency Aid

By David L. Perlman

An emergency bill to help states meet unemployment insurance payments and avoid further cuts in job services was being rushed to the House floor as the recession crisis worsened.

The $2.3 billion supplemental appropriation was requested by the Administration, which acknowledged that rising unemployment has knocked its earlier budget estimates askew.

MOST OF THE funds are earmarked for loans to the states to replenish depleted unemployment insurance reserves and to finance the federal share of extended benefit programs that are being triggered in state after state as the jobless rate mounts.

The emergency funding bill includes $210.7 million to stave off further closings of state employment offices and prevent layoffs of trained job counselors. It would also add $133 million for the staff needed to process a backlog of unemployment insurance claims.

House Speaker Thomas P. O'Neill, Jr., who took the unusual step of testifying in support of the funding request, welcomed what he termed the Administration's "flip-flop" on employment services. But he criticized the "stupidity" of the earlier budget slashes that had forced cutbacks in job services "in the middle of a recession."

AN APPROPRIATIONS subcommittee headed by Rep. William H. Natcher (D-Ky.) approved the funding request by a unanimous vote on the same day it was received.

It then went on to adopt, with only one Republican dissent, a companion bill to add $123 million to the low-income energy assistance program, which helps needy households pay heavy winter heating bills.

The Administration is opposing restoration of funds cut from this program, but O'Neill insisted that the money is needed "because we have had a very hard winter and these funds have been cut too deep by the Administration."

HE TOLD the subcommittee that the people being helped are more than statistics. "They are the elderly and disabled. They are children, and working poor desperately trying to avoid welfare."

As for the Administration's contention that states can tap other resources if they run short of federal money for the pro-

(Continued on Page 8)

Interest Rate Rise Adds Fuel To Recession

A new boost in the prime lending rate of most commercial banks—from 15.75 to 16.5 percent—threatened to prolong the recession and further curtail jobs.

The increase in the rate banks charge their best corporate customers was attributed to Federal Reserve Board actions to make less money and credit available because of a recent spurt in the money supply. Tight-money policies are largely responsible for the nation's current recession, the second in two years.

High interest rates have devastated both the construction and the domestic automobile indusries. U.S. auto production last month plunged to 279,832 cars, down 38.5 percent from January 1980, and the

(Continued on Page 8)

OSHA Maps New Enforcement Cutbacks

By John R. Oravec

The Occupational Safety & Health Administration is initiating new cutbacks in enforcement activities with plans to shut down 41 offices and field stations, and by downgrading worker complaints on "extremely serious" hazards.

OSHA Administrator Thorne G. Auchter said it was essential to "delete the term 'extremely serious' from its criteria for inspecting nonformal complaints" because of the job safety agency's shrinking staff and Reagan Administration budget cuts.

WITH JUST 1,200 inspectors to cover some 3 million workplaces, Auchter insisted, "OSHA needs to concentrate its limited resources on answering first those complaints of employees who face the greatest, most immediate risk of injuries and illnesses."

A few days before the directive on OSHA's new complaint inspection policy was issued, Auchter announced plans to close 12 area offices, nine district offices and 20 field stations, with further reductions in needed enforcement personnel.

OSHA said the reduction in force will affect at least 250 positions, including those of inspectors, industrial hygienists and office back-up personnel.

BUT AFL-CIO Occupational Safety Director George H. R. Taylor said that an analysis of the staffing charts at the 41 offices and stations shows that 372 positions would be affected by the new cutbacks.

By his count, Taylor said, the shutdowns would wipe out the jobs of 142 occupational safety specialists, 84 industrial hygienists, 69 managers and supervisors, 56 clerical workers and 21 other staff workers.

IN A LETTER to congressional committees, Auchter said the "reorganization" of OSHA's field operations would be completed in six to nine months. He said the reorganization "will reflect both new balance among program activities and fiscal year 1982 budget reductions, including lower levels of staffing."

The 12 area offices listed for closing are Brooklyn, White Plains and Rochester, N.Y.; Newark, N.J.; Washington, D.C.; Akron, Ohio; New Orleans; Tulsa, Okla.; and Harlingen, Fort Worth, Tyler and Clear Lake City, Tex.

In addition to the closings, OSHA will downgrade the status of six area offices to district offices. They are Providence, R.I.; Richmond, Va.; Erie, Pa.; Savannah, Ga.;

(Continued on Page 7)

Marchers drape flag over Kosciuszko statue in Washington.

Tokyo march reflected worldwide support of free trade unionists for Solidarity.

Global Support for Solidarnosc

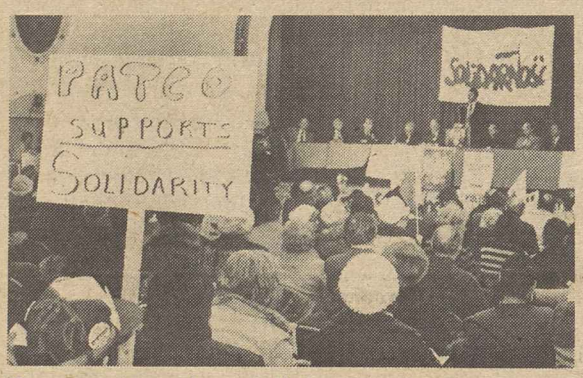
Jackson

Haig

Kirkpatrick

Houston workers join hands in support of Solidarnosc.

International Day of Solidarity, led in the United States by the AFL-CIO, drew thousands of demonstrators around the world to marches in support of the beleaguered Polish workers and in condemnation of the regime of martial law in Poland. Among the prominent speakers were Sec. of State Alexander Haig, who joined the rally in Chicago, and Sen. Henry Jackson (D-Wash.), and UN Ambassador Jeane Kirkpatrick, who addressed the gathering at AFL-CIO headquarters in Washington. The Jan. 30 demonstrations were held in response to an appeal from exiled leaders of Poland's Solidarity union to the International Confederation of Free Trade Unions.



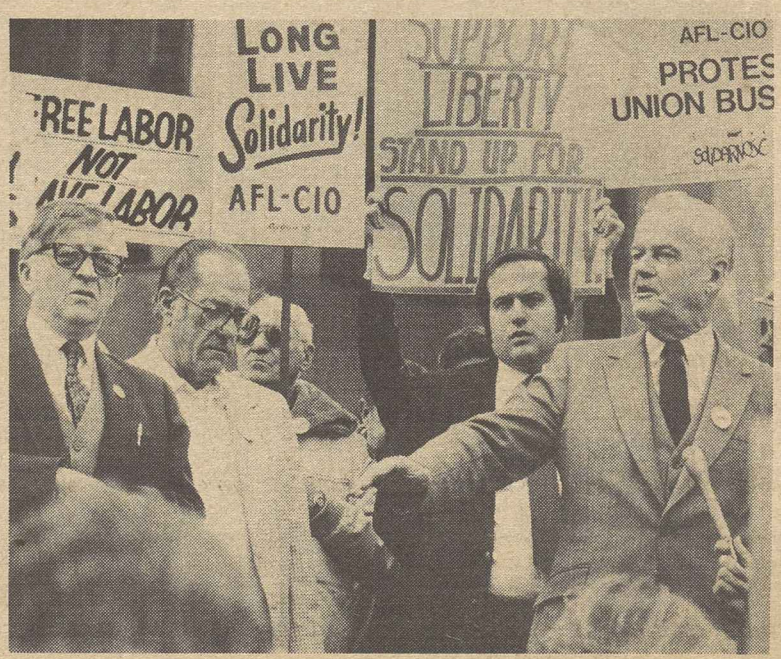
Demonstrators jam hall in Cleveland.

Solidarnosc flag is raised by Bakery Workers.

Chicago rally was largest of U.S. demontrations.

In Detroit, martial law decree was assailed.

Marchers carry protest to Polish consulate in New York City.



AFL-CIO and Polish-American officials lead San Francisco rally.

Rallies Back Polish Workers' Struggle

(Continued from Page 1)

at the largest American rally. "We raise that banner not only for Polish workers but for ourselves.

"It is our rights—the common property of mankind—that are being trampled in Poland, the rights we sought to make more secure for ourselves by securing them for others through such instruments as the Final Act of the Helsinki agreement, the Universal Declaration of Human Rights, and Convention No. 87 of the International Labor Organization for freedom of assembly which the Polish government signed," Kirkland declared.

"The Soviet Union and the Polish government have unilaterally violated and abrogated those agreements and obligations," he charged. "In so doing, they not only mean to extinguish the flame of freedom in Poland. They assault freedom itself. The lights that have gone out in Warsaw and Gdansk are weaker now in all the capitals of the West."

CHICAGO WAS chosen as the focal point of the U.S. rallies because of its strong labor heritage and its large Polish community. About 8,000 braved the severe cold to hear Kirkland and others condemn the communist governments of Poland and the Soviet Union for putting down workers' rights in those countries. Icy driving conditions kept thousands of others from the International Amphitheater event.

The Chicago rally heard a message from President Reagan which noted that "there is a spirit of solidarity abroad in the world today that no physical force can crush." The message was delivered by Sec. of State Alexander M. Haig, Jr., who in his own speech warned that, by ignoring the just demands of the Polish people, the Polish and Soviet governments "seem determined to plunge further into the abyss." He pledged that the United States "will not do business as usual with either Poland or the Soviet Union while repression in Poland continues."

WHILE HAIG did not raise the possibility of further U.S. sanctions against the Polish and Soviet governments, Kirkland and Longshoremen's President Thomas W. Gleason spoke directly to the point. Both called for sterner measures, including a grain embargo against the USSR.

"The time has come to call in the Polish debt, to stop all further credit to the Soviet bloc, and embargo the export of grain, goods, and factories to the Soviet Union," Kirkland declared.

Gleason said ILA members would consider stopping all Soviet shipping to and from the United States if the Reagan Administration takes no further action.

In Washington, at a special mass at St. Matthew's Cathedral, Roman Catholic Archbishop James A. Hickey denounced the "prolonged miseries of martial law" in Poland and asked Washingtonians to pray for Poles "deprived of their basic human rights to participate freely in the destiny of their country." In the audience was Zbigniew Brzezinski, national security adviser to former President Carter, as well as dozens of area union officials and leaders of local Polish and other East European ethnic groups.

About 1,000 marchers wound their way from the cathedral to Lafayette Park in front of the White House, where a Solidarity banner was draped around the statue of Polish Gen. Thaddeus Kosciuszko, who fortified Saratoga and West Point during the American Revolution.

AT THE RALLY which followed at AFL-CIO headquarters, Sen. Henry M. Jackson (D-Wash.) declared that "the national aspirations of a people cannot be destroyed even by the sophisticated weapons of a totalitarian state."

Jeane J. Kirkpatrick, U.S. ambassador to the United Nations, noted "the colossal irony of the government of a so-called workers' state crushing the most important workers' movement of the post-World War II era," and accused the Soviet Union of presiding over, planning, and directing the harsh repression in Poland.

Ladies' Garment Workers President Sol C. Chaikin, an AFL-CIO vice president, told the rally that the Gdansk agreement signed by the Polish government and the Solidarity trade union federation in August 1980 "will go down in history as another Magna Carta, detailing the rights and privileges and needs of the working class of Poland."

IN KENSINGTON, Md., a Washington suburb, some 150 persons turned out at the headquarters of the Bakery, Confectionery & Tobacco Workers, where a Solidarnosc flag was hoisted. BCT President John DeConcini said the flag will fly as a symbol of freedom and justice for the Polish workers.

In New York, some 3,500 demonstrators assembled in midtown Manhattan to declare solidarity with the Polish workers. Following the rally, the crowd marched to the Polish consulate, led by AFL-CIO Sec.-Treas. Thomas R. Donahue, Regional Director Michael Mann, President Harry Van Arsdale, Jr., of the New York City Central Labor Council, other labor leaders and heads of Polish-American and religious groups.

Donahue's remarks stressed the role of the Soviet Union in the Polish crisis.

RELIGIOUS LEADERS outlined church activities on International Solidarity Day at a press conference at AFL-CIO headquarters led by Federation President Lane Kirkland. Special masses, vigils, and sermons highlighted the worldwide outpouring of support for Poland's embattled workers and their independent labor movement. With Kirkland are Methodist Bishop D. Frederick Wertz of Washington, D.C., left, and Msgr. Francis Lally of the U.S. Catholic Conference.

"The President has now twice said that if the partial sanctions imposed on the Soviet Union did not bring about the desired results—the end of martial law, the release of imprisoned union leaders, and the resumption of negotiations with Solidarity—that further steps would be taken," he observed. "There's been no progress toward those goals. It is time for the further sanctions on the Soviet Union."

New York City and the state of New York, like several other cities and states across the country, issued proclamations declaring Jan. 30 International Solidarity Day.

Detroit—Some 2,000 Solidarity supporters at a rally sponsored by the Metropolitan Detroit AFL-CIO, the Polish-American Congress, and the Roman Catholic Church heard Rep. Dennis M. Hertel (D-Mich.) call for reimposition of the grain embargo against the USSR if martial law in Poland is not ended by Mar. 1.

Sen. Donald W. Riegle, Jr. (D-Mich.) called upon the Administration to do more to mobilize U.S. allies in the West to take a stronger stand against the Polish and Soviet regimes for the crackdown. Metro AFL-CIO President Thomas Turner told the rally in suburban Hamtramck that the 1930s "should have taught us it isn't enough to just wring our hands when oppression is imposed on a nation."

Boston—About 500 people gathered at a rally in suburban Dorchester to hear speeches by Gov. Edward King, Sen. Edward M. Kennedy (D-Mass.), Cardinal Humberto Medeiros, Boston Mayor Kevin White, Polish exile Stanislaw Baranczak, and others.

Kennedy told the crowd, "What we are seeing in Poland is repression by proxy. It is the dark work of a regime and an army acting under the shadow of Soviet bayonets."

Dallas-Fort Worth—A sudden thunderstorm drove an outdoor rally into a hall in downtown Fort Worth, where a crowd of about 250 listened to speeches and sang "Solidarity Forever."

Pittsburgh — Steelworkers President Lloyd McBride called for "the strongest kind of economic and diplomatic sanctions" against the Soviet Union until martial law in Poland is lifted and Solidarity is restored as a labor union.

Columbus, Ohio—A Solidarity banner was draped over the state Capitol at a rally that heard Gov. James A. Rhodes, Roman Catholic Bishop Edward J. Herrmann, Ohio AFL-CIO President Milan Marsh, and others. The massive red-and-white banner representing the colors of Poland and Solidarity was erected by members of the International Brotherhood of Electrical Workers and the Sheet Metal Workers, and will fly throughout February.

Cleveland—More than 450 trade unionists and Polish-Americans jammed the Alliance of Poles Hall at a rally sponsored by the Cleveland AFL-CIO and the Auto Workers. Nearly 150 of the demonstrators marched two miles in the rain to get there. President Richard E. Jablonski of the 50,000-member Union of Poles brought the crowd to its feet when he declared, "May a free Poland live, and may a free Walesa live."

Houston—Iron Workers President John H. Lyons shared a speaking program with five Polish sailors, members of Solidarity who jumped the Polish freighter Zabrze in the port of Houston in December just after martial law was declared in their homeland.

"This is the way we are protesting, physically, here and now," said Antoni Sczepowski, the Zabrze's first officer, who thanked Americans for their support and understanding for what is going on in Poland.

Milwaukee—About 500 people at a rally at American Serb Hall heard Milwaukee Circuit Court Judge Robert Miech protest the Jaruzelski junta's actions against the Polish workers in their struggle for democracy. His speech was taped for broadcast over Radio Free Europe. Other speakers included President Eugene Kaluzny of the Wisconsin division of the Polish-American Congress.

Denver — Several hundred Solidarity supporters gathered in the parking lot of the Denver Labor Center and cheered remarks by Gov. Richard Lamm, Sen. Gary Hart (D-Colo.), Reps. Timothy E. Wirth (D-Colo.) and Patricia Schroeder (D-Colo.), Denver Catholic Bishop George Evans, and Henry Podzinski, a leader in the city's Polish community.

Hart said it was crucial that free people around the world respond to the plight of the Poles who draw courage from such rallies. Schroeder said the Polish workers had "blown the whistle that their country was a class society," rather than the classless one claimed by communist rhetoric.

San Francisco — Executive Sec.-Treas. John F. Henning of the California AFL-CIO said the labor rally was held in front of Bank of America's international headquarters to demonstrate against the bank's monetary policies, which indicate it is more concerned about preserving its investment than in supporting the Polish people's demands for freedom from an oppressive government. Bank of America is the biggest U.S. lender to Poland, he noted.

Other rallies took place in Philadelphia, Los Angeles, Boise, Ida., Sacramento, Calif., Seattle, Jersey City, N.J., New Castle, Pa., Austin, Tex., Buffalo, N.Y., Lincoln, Neb., St. Louis, Syracuse, N.Y., and Omaha.

'Go Away! We're All Happy Here!'

An Economic House of Cards

PIECE BY PIECE, the Reagan Administration's economic house of cards is falling apart. The White House keeps trying to shore up its shaky structure, but the facts of life keep intruding.

The newest leap in the unemployment statistics is simply the most poignant in the long line of bad bulletins that disrupt the Administration's charade.

In the real world, more and more men and women are being forced out of work because of cruel policies that are so senseless they had to be given a new title, Reaganomics.

Record high unemployment for the post-depression era now joins record low housing construction as a fact of life.

Just this week, the nation's big banks, usually anxious to please such an accommodating Administration, started pushing their interest rates back toward the record high level attained last year.

IT IS NO WONDER that businesses are postponing or cancelling their big investments which were supposed to spur recovery under the fuzzy precepts of Reaganomics. The businessmen are finding out what working people discovered earlier—paying interest rates like 15 to 20 percent is just too expensive whether you are trying to buy a house, a car or a new factory.

Even those lucky enough to get the banks' best rates—say 16 percent—find the cost of their loans equals the principal in only five years. There are many examples now where the cost of borrowing money for a new enterprise is more expensive than the other essential elements that could make it function, including labor.

Faced with these grim facts of life, Treasury Sec. Regan this week said it was a "temporary phenomenon." He predicted that the economy would come "roaring back" by late spring.

Well, waiting for the Reagan Recovery from the Reagan Recession which was brought on by Reaganomics is a little like waiting for the return of Halley's Comet. We would all like to see it, but we're not sure we can survive that long.

The Administration had to backtrack on just one crucial front this week. Faced with the incredible contradiction of firing employment counsellors at the same time the jobless lines were getting longer, the Administration did a turn-about and agreed to restore funds rashly cut from the U.S. Employment Service.

The AFL-CIO is in the position of saying, "we told you so." All the warnings organized labor and its allies started issuing a year ago have been proved correct.

But that offers no satisfaction. We are waiting for those in the Administration who have been proved wrong to come up with a recovery program; a program that will take account of the millions of working people and under-privileged Americans who have been made victims of the selfish policies of the narrow clique huddled around President Reagan.

WE TAKE satisfaction in only one thing now, and that is the fact that more and more observers with greater patience than we have are making criticisms that go to the heart of the matter.

This week, for instance, Charles W. Bailey, a former Washington correspondent who is now editor of the Minneapolis Tribune wrote: "The trouble with this Administration is that it smells of greed. That is not an appropriate aroma for this kind of country."

AFL-CIO News

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LANE KIRKLAND, *President*
THOMAS R. DONAHUE, *Secretary-Treasurer*
Executive Council

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'You Gotta Be Kidding!'

Reneging on Promises

Move to Cut Veterans' Benefits Could Prove Blow to Recruiting

By Gus Tyler

SPEAKING OF AMERICA'S war veterans, the administrator of the Veterans Administration, Robert Nimmo, said recently: "What has to be recognized by those people, if they want to be realistic, is that there are more words in the dictionary than 'more, more, more.' "

What provoked the blunt statement about "those people" from a man whose official responsibility it is to represent "those people" is the growing concern of the Administration about continuing medical services for ex-combatants who have reached the age of 65.

ACTUALLY, when Nimmo talks about the veterans wanting "more," he is—in this instance—choosing the wrong word. The ex-GIs are not asking for "more," they merely would like to hold on to what they have.

The practice has been to provide free medical care to all veterans once they reach 65—with no strings attached. Veterans would like to see this continued.

The Administration would like to end the service. The government must know that in the very near future, veterans will be an absolute majority of all males over 65.

THE VETERANS' complaint is not that they are not getting "more" but that they are threatened with "less." Indeed, in the light of recent cutbacks by the government in a wide variety of services, the veterans might very well say that "those people" ought to recognize that "there are more words in the dictionary than 'less, less, less.' "

Nimmo's scolding the veterans is particularly irksome to the more knowledgeable former "heroes" who know that the government is quite prepared to give "more, more, more" to its favored classes. The great tax reductions of 1981 were a giveaway to the affluent, more and more for those who have the most.

INDEED, precisely this exemption of the richest from carrying their proper share of the tax load is the reason the Administration is trying to balance the books at the expense of the less advantaged—including veterans.

The discontinuance of medical services for the senior citizen veteran is not only a blow to those who once wore the uniform, it is also a blow to the armed forces of today.

The quality of our defense depends as much on the caliber and morale of the men and women in uniform as on the range and fire power of our missiles. To improve the human element in our services, the government has been trying to dream up all sorts of inducements to recruit better enlistees.

BUT HOW effective can such recruitment be when young people see how shabbily the government is treating its older veterans?

Even worse, why should potential volunteers believe that anything they are promised will come to pass when they see the government withdrawing benefits that were already established for veterans?

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For Polish Workers, 'No More . . . No Less'

What we want for Polish workers is no more and no less than we want for ourselves.

We view the rights of the members of Solidarnosc to form and support free trade unions and to negotiate on equal terms with their employer as linked to our own rights, and to the rights of free men and women everywhere.

We intend to continue in every forum available to us:

- **To press for the immediate release of trade unionists imprisoned in Poland because they dare to defend trade union rights and human rights.**
- **To press for the restoration of those trade union rights and for the full freedom of association and freedom of expression those rights require.**
- **To press for a Polish direction which will ensure the ability of Poles to decide for themselves how their union and their nation shall be run.**

Long live Solidarnosc!

—From address by AFL-CIO Sec.-Treas. Thomas R. Donahue at rally sponsored by the New York City AFL-CIO, Jan. 30, 1982.

'Not Enough to Light a Candle'

'Time to Call In Polish Debt,' Kirkland Tells Chicago Rally

Following is an address by AFL-CIO President Lane Kirkland at rally for solidarity with the Polish people, Jan. 30, 1982, Chicago.

TODAY WE SAY to the betrayers of the Polish nation:

You speak only for your masters in Moscow. From them, and not from the Polish people, comes your illicit power.

The true voices of the Polish nation huddle in concentration camps. They hunger on food lines. They nourish Poland's proud heritage from the pulpit of her historic church.

The thousands here assembled are part of a worldwide movement—not of governments but of plain people who cherish, for themselves, the rights claimed by Solidarnosc. They are gathering today in dozens of American cities from coast to coast, and in scores of cities and towns overseas at the call of the International Confederation of Free Trade Unions.

In every state of the union, in every major city of America, the Solidarnosc banner is now being raised.

We raise that banner, not only for Polish workers but for ourselves.

THERE ARE some small souls who argue that Solidarity "went too far," victim to a romantic, unrealistic illusion of freedom that is supposedly peculiar to Poles.

But it was not a Pole who asked: "Is life so dear or peace so sweet as to be purchased at the price of chains and slavery?"

That was a Virginia gentleman named Patrick Henry.

It was not a Solidarity "extremist" who said, "It is better to die on your feet than to live on your knees."

That was a Mexican, Emilio Zapata.

It was not a Polish poet who said, "Before I'll be a slave, I'll be buried in my grave and go home to my Lord and be free."

Those are the words of the old spiritual, "Oh Freedom," which inspired our civil rights movement in this country.

JUST BECAUSE they are human, Poles do not like pistols at their heads—any more than we do.

It is our rights—the common property of mankind—that are being trampled in Poland—the rights we sought to make more secure for ourselves by securing them for others, through such instruments as the Final Act of the Helsinki Agreement, the Universal Declaration of Human Rights, and Convention 87 of the International Labor Organization for freedom of assembly, which the Polish government signed.

The Soviet Union and the Polish government have unilaterally violated and abrogated those agreements and obligations. In so doing, they not only mean to extinguish the flame of freedom in Poland; they assault freedom itself. The lights that have gone out in Warsaw and Gdansk are weaker now in all the capitals of the West.

The yearning for freedom knows no international boundaries; nor do the enemies of freedom.

WHATEVER GROUND we cede to the enemies of human rights, we surrender of our own freedom.

The democratic governments of the West are entrusted by their people with the responsibility for protecting the people's rights.

They do not meet that responsibility when they permit corporations to provide technology for the Soviet war machine.

They do not meet that responsibility when they allow big grain companies to feed the Red Army.

They do not meet that responsibility when they permit a steady flow of credits to those who keep Lech Walesa imprisoned, Andrei Sakharov in exile, thousands in psychiatric prisons, countless more in labor camps, and whole peoples enslaved.

If the western governments feed, clothe and traffic with the jailers of Lech Walesa and the keepers of the Gulags now extended to Poland, they will sell out any of us.

THE AFL-CIO welcomed the sanctions announced by the President after martial law was declared. He told us then that he was prepared to take further steps unless martial law was lifted, those imprisoned released, and the Gdansk agreement fufilled.

But oppression has grown worse, not better. The Jaruzelski junta threatens to prolong martial law indefinitely and to deport the leaders of Solidarnosc. It has sentenced workers to jail terms for exercising the right to strike. It has refused to negotiate with Solidarnosc.

What, then, are we waiting for?

The time has come to call in the Polish debt, to stop all further credit to the Soviet bloc, and to embargo the export of grain, goods and factories to the Soviet Union.

IT IS NOT enough to light a candle for Poland, or to proclaim "Let Poland Be Poland."

Poland can be Poland when the West is true to itself and gathers the will and the united capacity to defend its own values.

Then, and only then, Poland will be Poland again, and there will be no need to light a candle. The bright flame of freedom will light the world.

Solidarnosc lives!

Union Membership Up

Gain in NLRB Votes Reflects Improved Organizing Outlook

THE ANNUAL REPORT of the National Labor Relations Board showing unions winning a bigger share of representation elections in 1980 than in the previous year is particularly encouraging, given the intense activity of professional union-busting consultants, AFL-CIO Organization & Field Services Director Alan Kistler said.

Pointing out that the bargaining units won in those elections were also larger, Kistler said the combination of those gains has produced an overall increase of union membership. He predicted that as organizers continued to sharpen their skills to counter the tactics of the anti-union consultants and as unions commit more resources to organizing, the success rate will continue to improve.

Questioned by reporters on the network radio interview Labor News Conference, Kistler said the sagging national economy cuts both ways in the effort of workers to form a union. He said employers are fighting harder to keep unions out, and workers can be intimidated by the severity of employer actions.

"One of the favorite weapons is to fire people" who show an interest in organizing a union, Kistler noted. He said the NLRB report showed more than 10,000 illegal firings over the period covered, and workers who see unemployment spreading throughout the economy may be "somewhat less willing to risk the job they currently hold" in an organizing effort.

"ON THE OTHER hand," he observed, "when the economy takes a severe downturn," workers realize there is a greater need for the security. "They see, in collective bargaining and union representation, a very important self-help measure and turn toward it, perhaps more so than if they had no such concerns."

The concentrated, effective voice of collective bargaining is a strong argument for union representation in the current period of economic distress, he declared.

By Press Associates, Inc.

AMONG THE KEY PROPOSALS outlined by President Reagan in his State of the Union message was the creation of so-called "urban enterprise zones" in the nation's troubled inner cities.

The enterprise zone idea is to designate geographical areas, such as New York's blighted South Bronx, where businesses would receive special tax breaks as an incentive to set up shop or expand in these pockets of very high unemployment.

Legislation to establish such "experimental" enterprise zones was first introduced in 1980 and re-introduced in the current session of Congress. Its sponsors include Reps. Jack Kemp (R-N.Y.) and Robert Garcia (D-N.Y.). The idea also was a centerpice of candidate Reagan's urban policy during the presidential campaign.

One of the pending bills would allow businesses in enterprise zones to deduct 50 percent of their gross receipts from their taxable income.

THE BILL WOULD eliminate capital gains taxes for these businesses; provide them a refundable tax credit equal to 5 percent of the wage paid to hard-core unemployed, or CETA-eligible employees. It also would provide a refundable employee tax credit of 5 percent of wages for their employees if 50 percent of their services are performed within the zone.

A U.S. Chamber of Commerce official hailed enterprise zones as a possible "supply-side answer to our inner city problems." But, labor experts and others who have taken a hard look at enterprise zone proposals fear they amount to little more than a localized version of "trickle-down" economics.

AFL-CIO economist Arnold Cantor told a Senate Finance subcommittee last year that the proposals "add up to an array of tax reductions and other devices which directly or indirectly encourage a diminution of government revenues, programs, standards and safeguards."

CANTOR SAID THAT while organized labor "has no quarrel with the concept of targeted assistance, we believe it should be done directly and not in a fashion which has so much potential for inequity, waste and abuse." He said the proposed generous tax breaks could trigger tax avoidance schemes by businesses to shift their reported income into the zone.

One bill speaks in vague language about "streamlining" government requirements for businesses in the zones. "Does this mean local building codes, safety, health, sanitation and environmental standards, or state and local wage-hour and child protection laws?" asked a labor expert.

Another bill is more specific. It would permit a 90 percent reduction in employer and employee social security taxes for workers in the zone under age 21, and a 50 percent reduction for all other workers. This could induce employers to fire parents and hire their children.

THIS INDUCEMENT also would occur if a subminimum wage for teenagers is allowed in the zones, which the Administration reportedly has under consideration. While its advocates concede that enterprise zones are no panacea, there is great danger they will be viewed as a substitute for the kind of programs genuinely needed to attack chronic inner city joblessness.

Any further tax breaks for business must take place in a framework of a coordinated economic revitalization program, using the government's full range of tools, including job training, public facilities, and direct loans or grants.

America's once-great cities are in deep trouble and they need attention as an organic whole. "Gilding the ghetto" will do nothing to bring inner-city residents into the mainstream.

DESPITE INTENSE activity by professional union-busting consultants, unions won a bigger share of representation elections in 1980—the most recent NLRB reporting period—than in the preceding year, AFL-CIO Director of Organization & Field Services Alan Kistler, center, said on Labor News Conference. He pointed out also that the units won were larger, producing an overall gain in union membership. Kistler was questioned by Alan Adams, left, of Employment Relations Report and Drew Von Bergen of United Press International. The AFL-CIO produced public affairs program is aired weekly on Mutual radio.

SYMBOLIC THANKS to union members for supporting the fund-raising effort for a memorial to Vietnam war veterans is presented in a plaque to AFL-CIO President Lane Kirkland by Jan Scruggs, president of the Vietnam Veterans Memorial Fund. Scruggs said a letter from Kirkland to the federation's affiliates encouraging aid to the fund resulted in nearly $50,000 in contributions. Dedication of the memorial on the mall in Washington, D.C., is scheduled for Nov. 11, 1982. Additional contributions to assure construction are still needed.

Economy, Organizing Focus Of Southern Labor School

Gulfport, Miss.—Reagan economics, organizing and the political climate were the focus of the 1981 AFL-CIO Southern Labor School held here.

More than 80 officers and staff representatives of state and city central labor bodies took part in the school organized by a conference of state federation officers with the cooperation of the AFL-CIO Dept. of Education.

BILL BECKER, president of the Arkansas AFL-CIO serves as president of the school, and its secretary-treasurer is Tennessee AFL-CIO President James G. Neeley. The 1981 session, held Dec. 6-14, drew the largest attendance since the program was established in 1952, AFL-CIO Education Director Dorothy Shields noted.

Panels discussed the impact of the Reagan Administration's economic policies on the American economy with emphasis on education, training and the construction industry proposals for changes in the role of the Occupational Safety & Health Administration.

Former Labor Sec. Ray Marshall discussed the impact of "Reaganomics" on the South. Steve Suitts, representative of the Southern Regional Council, a labor-supported research organization, pointed out that the federal budget cuts in social programs will be especially harsh in that region because other services, such as those provided by states, were already thin and often inadequate.

THE OUTLOOK for organizing in the South was examined by panels that included AFL-CIO Region V Director James Sala, Region I Director James Freeman and Robert Comeaux, AFL-CIO field staff representative who is directing the federation's Houston organizing campaign. Labor attorney James Youngdahl of Little Rock, Ark., explained the uses of law in organizing campaigns.

The value of the Equal Rights Amendment to women workers was emphasized by Sibal Taylor, assistant to the president of the Louisiana AFL-CIO, and threats to continued progress in civil rights legislation and action were covered in panel discussions led by the federation's civil rights director, William E. Pollard, and the department's southern area director, E. T. Kehrer.

COPE REGION V Director Dan Powell led discussion of legislative action and political campaigns, with Mississippi AFL-CIO President Claude Ramsey, Virginia AFL-CIO Sec.-Treas. Butch Foutz, and Neeley.

Becker, Florida AFL-CIO President Dan Miller, Louisiana AFL-CIO Sec.-Treas. Gordon Flory and Larry Smedley, assistant director of the AFL-CIO Social Security Dept., explained threats to workers' compensation and other social security protections.

Among other speakers were: Paperworkers' President Wayne Glenn, whose union recently moved its headquarters from New York to Nashville, Tenn.; Brad Dye, lieutenant governor of Mississippi; Lois Felder, assistant director, Food & Commercial Workers civil rights and women's affairs department; Dr. Aaron Henry, member of the Mississippi house of representatives; Earl Shinhoster, NAACP; and John Lewis, director, Voter Education Project.

Trade Defenses Held Inadequate For Soviet Bloc

The United States needs a more effective defense against unfair trade tactics by communist nations and other government controlled economies, the AFL-CIO told Congress.

Price tests applied to imports from free market nations simply don't work for controlled economies, Legislative Rep. Stephen Koplan stressed at Senate hearings.

HE URGED the International Trade subcommittee to develop more sophisticated tests of unfair pricing and to improve procedures for "complete and accurate reporting" of U.S. trade with controlled-economy nations.

Koplan charged that manipulated pricing and dumping tactics are being used to grab a bigger share of the U.S. market. Such tactics are succeeding, he warned, because existing safeguards are so inadequate.

Prices set by communist-bloc countries often have no relation to marketplace factors and production costs, he testified. Their aim is to penetrate the U.S. market, often with goods or products that aren't even sold in the country of their manufacture.

MONITORING of trade should include so-called "countertrade," Koplan said. This involves a commitment by a U.S. firm to market another country's products in the United States in an amount equal to that nation's purchases from the U.S. firm.

Such deals "are a form of barter that do not fit into the modest protection afforded by existing trade laws," Koplan noted. But the end result can be disruption of the U.S. market, he warned.

Manufacturing Sector Trails

'81 Contract Settlements Bring Higher Increases

Major collective bargaining settlements reached in 1981 in the private sector provided average first-year wage increases of 10.1 percent, compared with 9.5 percent in 1980, the Bureau of Labor Statistics reported.

Measured over the life of the negotiated contracts, the wage gains were also higher than the year before, with increases averaging 8.1 percent annually compared with 7.1 percent for settlements reached in 1980.

MOST OF THE wage acceleration came in the nonmanufacturing sector, where first-year increases averaged 11.5 percent in 1981, up from 10.9 percent in 1980, BLS said. In the manufacturing sector, where the recession has hit many industries especially hard, the first-year increase edged down from 7.4 percent in 1980 to 7.3 percent in 1981.

For the first time, BLS noted, agreements resulting from unscheduled reopenings had a "noticeable effect" on the settlement data. In 1981, there were 36 such settlements, covering 368,000 workers. If the workers under those contracts were excluded from the data, the wage increase would have averaged 10.9 percent for the first year and 8.6 percent annually over the life of the contract, the bureau said. The settlement data do not include any wage hikes resulting from cost-of-living adjustments.

Altogether, settlements reached last year covered 2.3 million workers in 543 major collective bargaining units of 1,000 or more workers.

IN A SEPARATE BLS measure of total compensation, wages plus the value of benefits, key contracts covering 5,000 or more workers showed an average first-year increase of 11.3 percent last year compared to 10.4 percent in 1980. Measured over the full term of the agreements, these contracts provided average yearly gains of 7.1 percent.

Other highlights of the report:

- Settlements in the construction industry covered 25 percent of workers under agreements reached in 1981. Railroad settlements covered 10 percent, and settlements in the soft coal and retail food industries each covered 7 percent.
- Average first-year wage boosts were 13.5 percent in construction, 7.3 percent in manufacturing and 10.2 percent in nonmanufacturing, excluding construction.
- Contracts negotiated last year had an average duration of 29.5 months.
- Unscheduled contract reopenings resulted in additional wage increases for about 280,000 workers in the apparel industry. Wage and benefit concessions, on the other hand, were negotiated for 95,000 workers in the auto, airline, and meatpacking industries. About 67,000 workers were covered by agreements negotiated under contract expirations or scheduled reopeners that provided no wage change or decreases in the first contract year.

BLS POINTED OUT that because measures of wage settlements exclude possible future changes under cost-of-living clauses, they tend to be lower in settlements with COL clauses than in those without such clauses. First-year negotiated adjusments last year averaged 8.2 percent in pacts with COL clauses, compared to 10.8 perment in those without such clauses.

Wage increases over the life of the agreements averaged 5.5 percent annually for those with COL clauses, compared to 9.1 percent for those without COL clauses. Contracts with such clauses had an average duration of 35.7 months while those without such clauses averaged 27.3 months.

Some 612,000 workers were covered by COL clauses last year, about 27 percent of all those covered by settlements reached in 1981.

BLS also reported that about 995,000 workers will receive deferred wage increases averaging 4.6 percent during the first three months of 1982. Some 4.3 million workers in the private sector are scheduled to receive deferred wage increases at some time in 1982 that will average 6.3 percent—the highest average since 1971.

RWDSU Board Suspends Talks On Merger Plan

New York—The executive board of the Retail, Wholesale & Dept. Store Union has voted to suspend merger discussions with the Service Employees.

The RWDSU board said in a statement that many questions relating to the merger remain unresolved and that continued discussions at this time would be impeded because of time limitations due to the union's quadrennial convention, which opens in Washington May 29.

It also noted that contract negotiations covering more than 80,000 RWDSU members in food retailing, department stores and health care in the United States and Canada would require the full attention of board members.

"Therefore, we are suspending the merger discussions," the statement said. "After the convention and the settlement of these contracts we will re-evaluate our merger position."

A merger plan was initiated last April by the executive boards of the two unions. The SEIU has 675,000 members and the RWDSU 235,000.

Study Finds States Losers Under Reagan 'Federalism'

All 50 states will be losers under President Reagan's "new federalism," a study by the State, County & Municipal Employees concluded.

AFSCME researchers found that the Administration used a lower set of cost assumptions for programs it wants to turn over to the states than it did for the state savings on Medicaid funding the federal government would assume.

By the union's tally, states would be $17 billion in the hole in fiscal year 1984 if current services are maintained. By 1991, when the federal trust fund proposed for the transition period would be phased out, the states would be saddled with an $86 billion shortage.

AFSCME President Gerald W. McEntee said the Reagan plan would "either result in massive reductions of public services delivered by state and local government or massive increases in property taxes and state income taxes."

He termed the proposal a "Trojan horse" by Office of Management & Budget Director David Stockman for new budget cuts on top of $15 billion cut from state and local government assistance last year.

Auto Industry Negotiations Shift to Ford

Dearborn, Mich.—The Auto Workers and the Ford Motor Co. opened negotiations at the firm's headquarters here on a replacement contract for the current agreement that expires Sept. 14.

The bargaining got under way after talks with the nation's largest automaker, General Motors, were suspended. UAW President Douglas A. Fraser said the breakdown in the GM talks "means that there will be more layoffs. Things are going to be worse than they otherwise would have been."

THE HISTORIC negotiations mark the first time that the union and the industry have met so early to bargain on a pact to replace a current agreement. The companies sought the early negotiations in a search for solutions to the industry-wide slump.

Bargainers at the Ford negotiations set no deadline for conclusion of discussions during their three and one-half hour opening session, although industry observers said the talks likely would last two to three weeks. Ford, the No. 2 auto maker, is in a much weaker financial position than GM.

In proceeding with talks at Ford despite the breakdown at GM, union leaders hope to "put an end to outsourcing and layoffs," said UAW Vice President Donald Ephlin, director of the union's Ford department. "Outsourcing" means buying parts instead of making them, a practice Ford has used widely.

Ford has put forth a tentative proposal to address the union's job-security concerns, but neither side has disclosed specifics of the plan. Ford also has proposed a profit-sharing plan for workers.

OSHA Orders Further Slash In Enforcement

(Continued from Page 1)

Mobile, Ala., and Omaha, Neb. One district office, Corpus Christi, Tex., will be upgraded to an area office.

Under a continuing funding resolution adopted by the House last year, OSHA's fiscal 1982 budget is set at $192.5 million, reflecting a 12-percent cut by President Reagan as well as 4 percent more lopped off by Congress.

As a result of its new complaint inspection policy, OSHA said its field inspectors will respond only to those that indicate "imminent danger."

IN ADDITION to budget considerations, Auchter said the reason for elimination of "extremely serious" hazard complaints from its criteria was that the term was unclear and confused its field staff.

The AFL-CIO, in protesting the change in policy when it was first proposed last summer, said any confusion in the term could be cleared up by clarifying the usage.

In responding to the proposal, Taylor wrote Auchter: "By limiting automatic inspections to 'imminent dangers,' OSHA would run the risk of not responding to conditions which pose serious threats to health and safety.

"FOR EXAMPLE," Taylor said, "a nonformal complaint alleging conditions of over-exposure to lead without respirators would not be responded to with an inspection unless the employee also had blood levels of lead which posed an imminent danger. Such a policy would be extremely dangerous when dealing with life-threatening hazards which may not meet the definition of 'imminent danger,' and runs directly counter to the purposes" of the 1970 federal OSHA law.

Taylor said that OSHA initiated the new policy directive without responding directly to the federation's concerns.

GEORGIA SOLIDARITY DAY drew some 2,000 demonstrators to Atlanta Jan. 16 for a march to the state capitol organized by the State AFL-CIO and a coalition of civil rights, religious, consumer and pro-ERA groups. Marchers turned out from across the state in the face of snow storms, record cold and planted rumors that the march had been called off. They urged state lawmakers to respond to the needs of workers, consumers, the poor and the elderly.

Georgia's Union Members March To Prod 'Do-Nothing' Legislature

Atlanta—Nearly 2,000 people braved snow and icy cold for a march and rally organized by the Georgia AFL-CIO to spur state legislators to respond to the needs of workers.

The Georgia Solidarity Day march from Atlanta-Fulton County Stadium to the state capitol on Jan. 16 was swelled by union members and their supporters in civil rights, consumer and religious organizations across the state despite unusual snow, sleet, record cold temperatures and an attempt to sabotage attendance.

STATE AFL-CIO President Herbert H. Mabry said someone had tried to undermine the rally by calling statewide media and claiming the march had been cancelled. A number of television and radio stations carried the false message causing several unions to cancel plans to come to Atlanta, Mabry reported.

The demonstrators pressed for improvements in the state's unemployment compensation and workers' compensation programs, as well as for ratification of the Equal Rights Amendment, collective bargaining rights for public employees, decent housing, easier voter registration, consumer protections and a state budget giving high priority to the needs of the poor and elderly over business interests.

Kenneth Young, executive assistant to AFL-CIO President Lane Kirkland, told the marchers that the state's problems could be blamed on the "trickle-down effect" of the Reagan Administration's regressive social and economic policies.

IN ONLY ONE YEAR in office, he pointed out, the Administration produced the highest jobless rate since the end of World War II, with blacks and minorities the hardest hit.

The White House is paying little attention to ways to increase employment, Young charged. He called for rejection of "supply-side" economics that "gives to the rich and takes from all others," and rejection of the theory that government is "the enemy."

The Administration's cuts in federal job and training programs, health and nutrition, and other vital social programs only aggravate America's difficulties, Young said.

THESE CUTS, he charged, coupled with reductions in social security and unemployment benefits as well as "the wholesale abandonment of government regulations that protect the health and pocketbooks of workers and consumers" are a so-called liberation movement for those "who subscribe to the notion that it is the high duty of government to feed the fat cats and leave it to them to take care of the poor and the weak as they see fit."

The private sector is "unwilling and unable" to deal with social and economic problems, Young said, stressing that "social benefits must be paid for by society itself as our Constitution proclaims, not left to the charity of private and corporate largess."

He urged the demonstrators to look to Election Day 1982 as "Solidarity Day II" and to vote for public officials "who are committed to righting the wrongs of Reaganomics; who will work to heal the divisions being perpetuated upon the American people."

MABRY CALLED the march a "new beginning when working people will rise up and let the General Assembly know that we are unhappy with our representation in this state."

State legislators, he charged, "have not listened" to workers' phone calls, personal visits, letters and the presentation of facts about state problems. Instead, they have paid attention only to a "select minority of their constituents" including "monied business interests," Mabry declared.

"We are here today," he told the crowd, "to make the legislators take a second look at their constituency. We are here to finally make them listen to the majority, the working people of this state, and we shall be heard."

NORMAN HILL, president of the A. Philip Randolph Institute, told the marchers it is impossible for labor and other concerned groups to take the Administration's advice to "be patient and quiet" while hoping for its economic policies to work "because our very survival is at stake."

The voting records of elected officials will be monitored to determine whether they respond to the needs of working people and the poor, and those who don't "will have an opportunity to find out what unemployment is all about after Election Day," Hill told the demonstrators.

Prevailing Wage Laws Cited As Small Business Protection

The Davis-Bacon Act protects small contractors as well as their employees, the AFL-CIO Building & Construction Trades Dept. testified at Senate hearings.

Legislative Director Dan Mundy took issue with an opening statement by Subcommittee Chairman Don Nickles (R-Okla.) that "small business and the Davis-Bacon Act just don't mix."

MUNDY SAID the prevailing wage law gives well-managed small construction firms a chance to win government contracts on the basis of efficiency and productivity. Otherwise, he said, the competitive advantage would lie with "fly-by-night contractors" who base low bids on paying substandard wages to less competent workers.

Nickles is chairman of the Senate Labor subcommittee that has jurisdiction over the Davis-Bacon Act. But he presided in his role as chairman of a Small Business subcommittee that has no legislative powers.

The only government witness was the "advocacy counsel" of the Small Business Administration, Frank S. Swain, who told the panel that his testimony reflected only the views of the agency, and not the position of the Administration.

Swain termed the Davis-Bacon Act an example of "over-regulation" by government and suggested that contracts under $100,000 be exempt. The present coverage threshold is $2,000.

Mundy told the panel that virtually all of the record-keeping involved in compliance with the Davis-Bacon Act is also required by other federal laws, including the Fair Labor Standards Act and the Copeland Anti-Kickback Act. Thus, exclusion from Davis-Bacon would not eliminate burdensome paperwork.

He challenged the argument that minority workers would benefit if contractors didn't have to pay prevailing wages.

MUNDY TERMED that a "cynical argument" that "would permanently relegate such workers to the lower rungs of the economic ladder and undermine much of the gains they have made."

Excluding a large number of construction contracts from the law's coverage would set up "a double standard" for government construction and would induce artificial fragmentation of contracts to evade the intent of the law, he warned.

ITU Opens New Office For Canadian Members

Ottawa — The International Typographical Union has opened a Canadian national office here to expand services for its growing membership in Canada.

"This is the first time in the ITU's 128-year-old history that a national office has been established in Canada, and the development reflects a growing dynamism of the ITU in Canada," ITU President Joe Bingel said at a ribbon-cutting ceremony.

In the past five years, the union's Canadian membership has increased 20 percent, the union reported.

INTERNATIONAL DAY of Solidarity with Poland's workers included globe-girdling rallies in major cities. AFL-CIO Sec.-Treas. Thomas R. Donahue in New York, left, charged that the Soviet Union sponsored the Polish government's crackdown on the Solidarity labor federation. In London, supporters of the Polish workers waved protest signs linking the USSR with the suppression in Poland. Demonstrations were also held in other countries. **(Story, Page 1.)**

Jobless Aid Bill Contains Added Funds for States

(Continued from Page 1)

gram, O'Neill countered that "helping them is a national responsibility."

At the hearings, questioning of Assistant Labor Sec. Albert Angrisani, the Administration's witness, revealed official projections of further increases in unemployment and the triggering of the extended benefits program in all but a handful of states before the end of the current fiscal year on Sept. 30, 1982.

AS PART OF the Reagan budget cuts, Congress last year ended the national trigger which previously made extended unemployment benefits available in every state during severe recessions.

Of 14 jurisdictions that now have extended benefit programs allowing unemployment insurance payments to continue for a total of 39 weeks, nine reached the trigger point during the past five weeks. The trigger point is based on a complex formula tied to the insured unemployment rate in each state over a 13-week cycle.

Indiana and North Carolina were added to the list on Feb. 1. Other jurisdictions currently covered are Alaska, Idaho, Mississippi, Ohio, Oregon, Pennsylvania, Puerto Rico, Rhode Island, South Carolina, Tennessee, Washington and Wisconsin. Ironically, Michigan is not currently covered because of a quirk in the calculation formula, although its unemployment rate is among the highest in the nation.

ANGRISANI, the Administration's spokesman at the hearings, said as many as 46 states could qualify for extended benefits before the recession bottoms out.

But unless Congress changes the law, this will be the last year in which extended unemployment benefits will be a significant factor. As part of the Administration cutbacks Congress approved last year, a substantially higher level of unemployment will be required after Oct. 1, 1982, to trigger extended benefits.

Angrisani conceded that the Administration was unusually far off the mark last fall in its projections of the unemployment rate for the current fiscal year, but he denied that the underestimate was deliberate in order to push through budget cuts.

2/6/82

Correspondence about address corrections should be sent with attached mailing label to: Subscriptions, Room 209, 815 16th Street, N.W., Washington, D.C. 20006.

NLRB Boosts Rate On Backpay Interest

The National Labor Relations Board announced that it has increased the interest rate it assesses on back pay and other remedial money awards from 12 percent last year to 20 percent for all of 1982.

The increase was announced in a memorandum from NLRB Gen. Counsel William A. Lubbers implementing the agency's order in a case involving the Florida Steel Corp.

In the 1977 ruling, the board ordered that interest on back pay and other money awards be computed at the "adjusted prime rate" used by the Internal Revenue Service in calculating interest on the underpayment or overpayment of taxes. The IRS recently announced a 20-percent penalty interest rate.

Rise in Prime Lending Rate Tightens Economic Squeeze

(Continued from Page 1)

lowest level in 35 years. Construction spending declined 4 percent in 1981 to its lowest level since 1975.

THIS WEEK'S increase in the prime rate reversed a downward trend that began last July. Of the nation's 15 largest banks, 12 had moved to the 16.5 percent level with the others notching up to 16.25 percent. The borrowers most affected by changes in the key rate are medium-size and small companies. Other short-term rates, including consumer notes, are scaled upward from the prime.

Irwin L. Kellner, senior vice president of Manufacturers Hanover Trust in New York, said a widespread increase in the prime would mean a big rise in bankruptcies, already at record levels.

In other economic developments, the Commerce Dept. reported that its index of leading economic indicators for December rose six-tenths of 1 percent after declines of two-tenths of 1 percent in November and 1.8 percent in October.

THE GOVERNMENT also reported that business productivity took its worst tumble since World War II in last year's fourth quarter, but for 1981 as a whole was up by 1 percent, the first annual rise since 1977. The small gain for the year in the private business sector contrasted with declines of two-tenths of 1 percent in 1978, three-tenths of 1 percent in 1979, and two-tenths of 1 percent in 1980.

The productivity figures measure the output of private business per hour of work. The fourth-quarter drop occurred because output fell 7.5 percent, while the number of hours worked declined only two-tenths of 1 percent, the Commerce Dept. said.

The rise in the index of leading indicators, which is designed to foreshadow economic trends, was the first since last July. New orders adjusted for inflation, building permits, stock prices, the money supply, and the layoff rate all showed improvement, with building permits contributing the largest increase.

FIVE OF THE 10 indicators declined: the average workweek, the number of companies receiving slower deliveries, contracts and orders for plants and equipment, producer prices, and the change in total liquid assets.

The Commerce Dept. also reported that new orders for factory goods rose a bare two-tenths of 1 percent in December, or no gain at all after discounting for inflation.

Devastating Impact Foreseen From Natural Gas Decontrol

The deregulation of natural gas prices that the Reagan Administration is pressing would have a devastating impact on workers, consumers and the nation's economy, the Consumer Energy Council of America warned.

In a study based on Dept. of Energy data, CECA charged that over the next three years, deregulation would cost American workers 300,000 to 450,000 jobs and $70 billion in lost wages while raising living costs sharply and slashing up to $22 billion from the gross national product.

"WE HAVE used the DOE's own analysis of deregulation to highlight the staggering negative income transfer effects of deregulation," said CECA Executive Director Ellen Berman. "These effects are buried so deeply in DOE's technical analysis that legislators would be significantly handicapped in using DOE's analysis for decision-making purposes," she stressed.

Titled "Natural Gas Deregulation: A Case of Trickle-Up Economics," the study is the first in a series of in-depth analyses of the impact of deregulation on consumers, workers, investors and the nation's economy.

CECA is a national coalition of consumer, labor, farm, urban, senior citizen and rural electric cooperative groups.

BERMAN SAID deregulation would provide an income-transfer bonanza for gas producers at the expense of workers, other industries and consumers.

"In the short run," she observed, "the income-transfer effects are staggering; the long-run recovery still leaves the wealth out of the pockets of consumers and in the hands of gas producers."

Even three-year phased-in decontrol, which CECA viewed as more moderate than the approach currently favored by the Administration, would:

- Increase gas bills at least $400 a year per household.
- Add at least $800 a year to consumers' costs for other goods and services.
- Wipe out up to 450,000 jobs, resulting in $70 billion in lost wages.
- Raise the government's consumer price index 1.8 percentage points.
- Reduce national productivity by almost 1 percent.
- Lower capital income in non-gas industries more than $9 billion.
- Increase income of gas industry stock by more than $63 billion.

Using the Administration's own analysis, the CECA study found that over the next three years, the GNP will actually decrease by $16 to $22 billion (in 1980 dollars) because of deregulation.

James Kennedy Named Assistant to Donahue

AFL-CIO Sec.-Treas. Thomas R. Donahue has named as his executive assistant James J. Kennedy, Jr., the legislative and political director of the Brotherhood of Railway & Airline Clerks for the past 14 years.

Kennedy, 49, has been the executive secretary-treasurer of the Railway Labor Executives' Association. He will begin his new duties as Donahue's assistant Feb. 15.

Kennedy, a lawyer, also serves as general counsel of BRAC. His undergraduate and law degrees are both from Fordham University. In recent years he has been chairman of the House Marginal Committee for the COPE operating committee. He is also an officer of Frontlash and of Concerned Seniors for Better Government and is counsel to the National Council of Senior Citizens.

A native of Poughkeepsie N.Y., Kennedy was legal affairs counsel for the Pulp, Sulphite & Papermill Workers, now part of the Paperworkers, and education director of the RLEA before assuming his legislative and political duties for BRAC in 1967.

Keep Education At Cabinet Level, Teachers Urge

Education should continue to have Cabinet-level representation in the federal government, the American Federation of Teachers urged.

AFT President Albert Shanker said the union opposes an Administration plan to dismantle the Dept. of Education and relegate its functions to an independent "foundation."

Shanker noted that the AFT had opposed taking education functions out of the Dept. of Health, Education & Welfare in 1979, when the separate department was established. But "we believe education belongs in the Cabinet," he stressed.

Before any decision is made on the future of the department, Shanker said, the President and Congress should determine the role of the federal government in the field of education. There is a continuing need for a federal commitment to improving the nation's school systems, he said.

Vanishing Jobs Shrink Workforce

Employment continued to decline in January, with heavy new layoffs in manufacturing and construction, despite a drop in the overall unemployment rate.

The seasonally adjusted unemployment rate declined from 8.8 percent in December to 8.5 percent in January. But the drop was attributed in part to the exodus of discouraged workers from the labor force. Persons who have given up active job hunting because there are no jobs to be had aren't counted as unemployed.

"THE REAGAN recession which began in July of last year has pushed unemployment to the most critical level since the Great Depression of the 1930's," Federation President Lane Kirkland said in a statement.

"Millions are suffering and can't afford to be told: 'Wait, prosperity is just around the corner.' Americans need jobs to put food on the table, pay the mortgage and live with dignity," said Kirkland.

"Now is the time to put America back to work and rebuild the economy. These programs could be paid for by cutting back last year's excessive tax giveaways to the wealthy. Now is certainly not the time for further cuts in programs desperately needed by the jobless and the poor."

More than 9,298,000 people remained out of work last month, the Bureau of Labor Statistics reported.

IN MAY 1975, when the country was in another severe recession, the jobless rate hit a post-World War II peak of 9 percent, representing 8,433,000 unemployed workers out of a total labor force of 93.9 million. The workforce since has risen to nearly 109 million.

BLS Commissioner Janet L. Norwood

(Continued on Page 3)

AFL-CIO News

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Saturday, February 13, 1982

Reagan Calls for New Cutbacks, Forecasts More Unemployment

INSTEAD OF STEPPING UP support for oppressed Polish workers, the Reagan Administration is bailing out U.S. bankers at the cost of American taxpayers, AFL-CIO President Lane Kirkland charged at a Government Employees legislative conference. AFGE President Kenneth T. Blaylock is at right.

Kirkland Scores Retreat On Sanctions for Poland

AFL-CIO President Lane Kirkland charged the Reagan Administration with turning its back on Poland's workers and free trade unions while protecting the interests of American bankers.

Instead of taking further action to bring an end to martial law in Poland, as promised, the Administration has responded to the worsening situation in that country by retreating, Kirkland told delegates to a Government Employees' legislative conference.

IN ANNOUNCING that American taxpayers would pay the banks $71 million they are owed by the Polish government and secretly rigging the regulations requiring that Poland be declared in default, President Reagan in effect told the Polish military junta and the Soviets to disregard his earlier tough talk, Kirkland declared.

"He announced that the United States would not use the most potent economic weapon at our disposal in defense of Solidarity," observed Kirkland. "By stretching the gap between rhetoric and action, he has undermined his credibility in dealing with the Soviets. Nothing could be more dangerous."

Kirkland recalled the Administration's adoption of limited sanctions against Poland and the USSR—"the real author of the savage repression that is being taken against Solidarnosc (Solidarity)"—last December, and its pledge to take additional measures unless imprisoned union leaders were released and good-faith negotiations begun with the independent labor unions.

"Among these steps, we urged calling in the Polish debt and halting the sale of grain, goods, and factories to the Soviet Union," said Kirkland. "The situation in Poland has not improved. The repression is growing worse."

THE ADMINISTRATION justifies its bail-out of the U.S. banks on the grounds that declaring Poland in default would relieve the Soviet Union of the burden of

(Continued on Page 3)

'Best Hopes' On Economy Still Grim

By James M. Shevis

Even if President Reagan's best-case scenario for economic recovery were to come true—and this is doubtful due to the impact of skyhigh budget deficits and continuing high interest rates—severe joblessness appears part of America's future.

This gloomy assessment is contained in the President's annual Economic Report to Congress, which forecasts unemployment averaging 8.9 percent this year and 7.9 percent in 1983 before dipping to 7.1 percent in 1984, 6.4 percent in 1985, 5.8 percent in 1986, and 5.3 percent in 1987.

STICKING TO his rigid monetarist and "supply-side" theories, Reagan held to his prediction of a "vigorous economic recovery" this year.

"I am convinced that our policies, now that they are in place, are the appropriate response to our current difficulties," Reagan said in a statement accompanying the 357-page report prepared by his Council of Economic Advisers. But he acknowledged that more suffering may lie ahead before the nation reaps the benefits of permanently lower inflation, his avowed goal.

"The decision to end inflation over a period of several years will be sustained by this Administration, even though short-run costs will be suffered before long-term benefits begin to accrue," the presidential report observes. Acknowledging a "short-lived tradeoff between unemployment and the rate of inflation," the report continues, "this means that policies to reduce inflation significantly will temporarily increase unemployment and reduce output growth."

IF HIS 1982 economic forecast holds up, the President will usher in during his second year in office the highest sustained rate of unemployment in the post-World War II era. Current unemployment is 8.5 percent of the labor force.

(Continued on Page 14)

Budget Axe Slashes Aid For Neediest

By David L. Perlman

President Reagan asked Congress to slash deeper into programs to help the needy and to continue to rely on drippings from the tax cut enacted last year to nourish a sick economy back to health.

Reagan's budget message claimed the "remarkable achievements" of his first year in office have put the economy on a sound course.

His accompanying budget pointed to a second successive year of huge deficits—stemming largely from high unemployment, huge interest costs and new tax breaks for wealthy individuals and profitable corporations.

IF CONGRESS follows the President's budget script, there will be less food, cash and medical assistance for the poor and the near-poor.

Public housing construction would be ended, cities and states would have less federal aid for mass transit, construction, social services and community development.

Despite inflation, which reduces the purchasing power of federal grant dollars, federal assistance for elementary, secondary and vocational education would be slashed by $1.6 billion and outlays for higher education would be reduced $700 million. Fewer college students would be eligible for loans and grants and the amounts they could receive would be cut.

JOB PROGRAMS and training for the disadvantaged, heavily slashed during Reagan's first year, would be further demolished. And nothing at all would be left of the trade adjustment assistance an earlier Congress had enacted for workers thrown out of their jobs by increased imports.

Military programs would be spared the budget cuts and allowed an after-inflation

(Continued on Page 15)

Congress Restores Funds for Poor, Jobless

Congress voted emergency appropriations to keep state employment offices open and process unemployment insurance claims—and then broke with the Administration to increase funds to help low-income households to pay winter heating bills.

Republicans from frost-bitten northern states joined House and Senate Democrats in approving the added $123 million for heating costs. Sunbelt Republicans, who stuck with the White House on the issue, said states that ran out of money should divert funds from federal "block grants" meant for other programs.

But the House approved the added money, 354-62. The Senate followed through with an 85-10 vote and the measure was tacked on to a bill the Administration supports to discourage a veto.

THE SEPARATE $2.3 billion emergency supplemental appropriations was requested by the Administration and is mostly for loans to replenish state unemployment insurance reserves and to finance the federal share of extended benefits in states that qualify.

It includes restoration of $343.5 million in budget cuts previously imposed in allocations to states to administer employment offices and process unemployment claims.

The last round of budget cuts had forced the closings of scores of state employment offices and the layoffs of trained job counselors at a time of rising unemployment.

Rep. David R. Obey (D-Wis.), a senior member of the House Appropriations Committee, warned his colleagues that the President's new budget proposals invites a repetition of the turmoil.

THE NEW BUDGET request, Obey said, would cut $60 million from unemployment services from the total provided this year.

"If my colleagues can make any sense out of that," he suggested, "they are a lot smarter than I am."

Massive show of support in Malta

Washington, D.C., parade

Day of International Solidarity

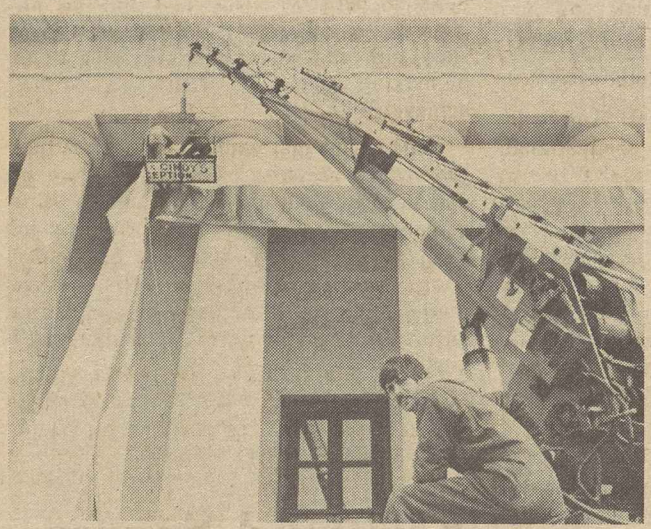
Workers around the world joined in a Day of International Solidarity to show support of the Polish workers and to condemn their oppression by the Polish military junta.

The Jan. 30 demonstrations, spearheaded in dozens of U.S. cities by the AFL-CIO, demanded an end to martial law clamped on Poland in December in an attempt to destroy Solidarity, the nation's free trade union federation. Marchers also called for the release of Solidarity's imprisoned leaders.

The worldwide rallies were held in response to an appeal from exiled Solidarity leaders to the International Confederation of Free Trade Unions.

The AFL-CIO, its state and local councils and many affiliated unions led the U.S. demonstrations including parades, vigils, rallies and other events. Many showed support by symbolically raising and displaying the Polish union's banner, or its red and white colors.

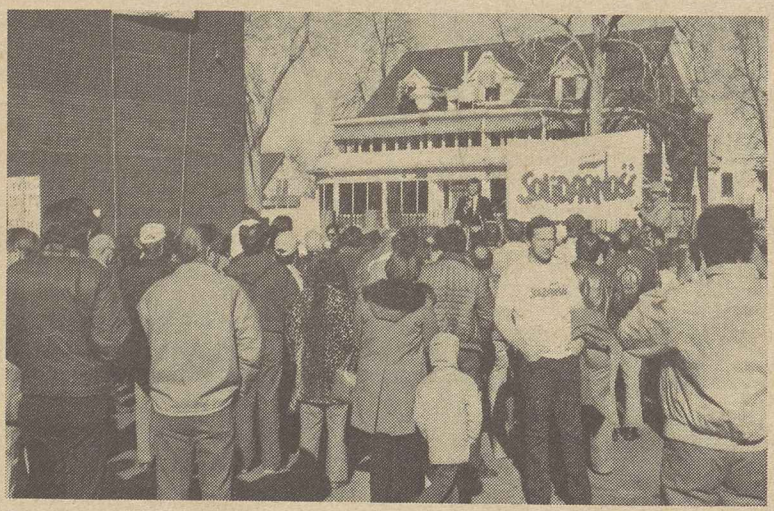
These are some of the photos that were not used in the previous issue of the AFL-CIO news because of space limitations, including the one from the big demonstration in Malta.



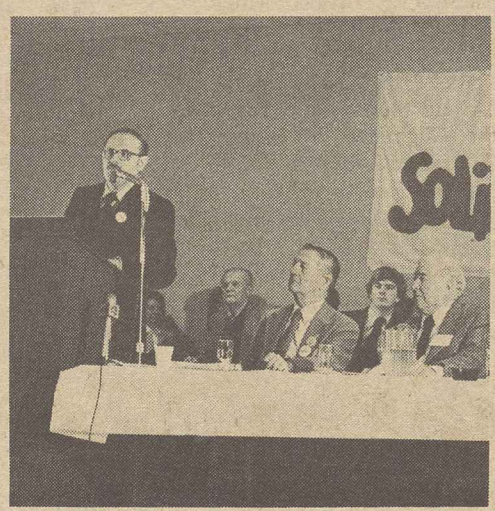
Ohio state capitol

New York march

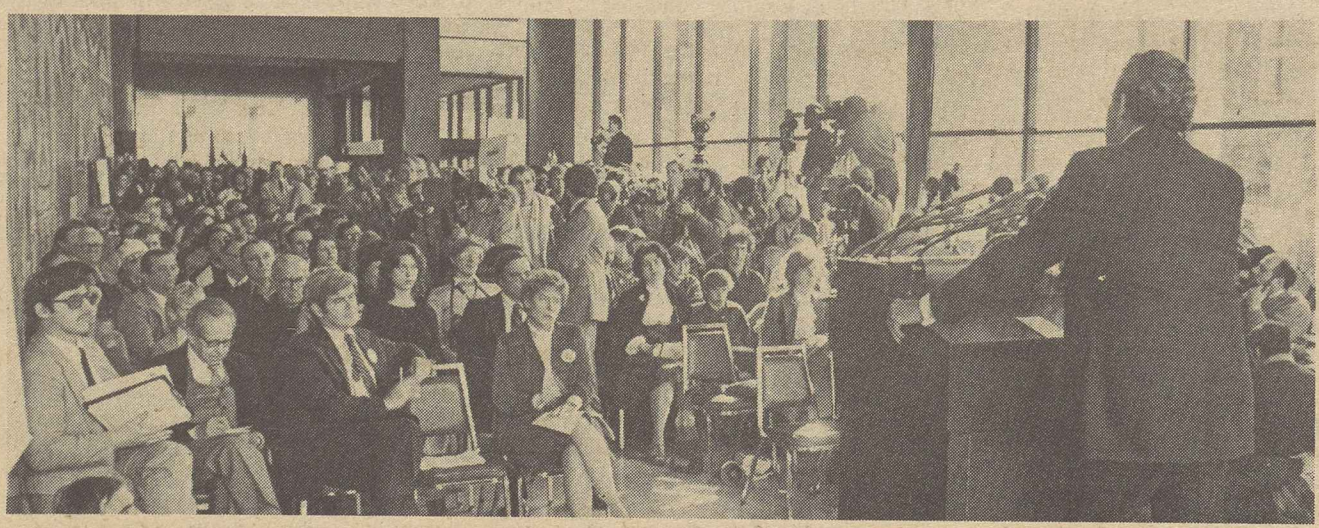
Akron, Ohio



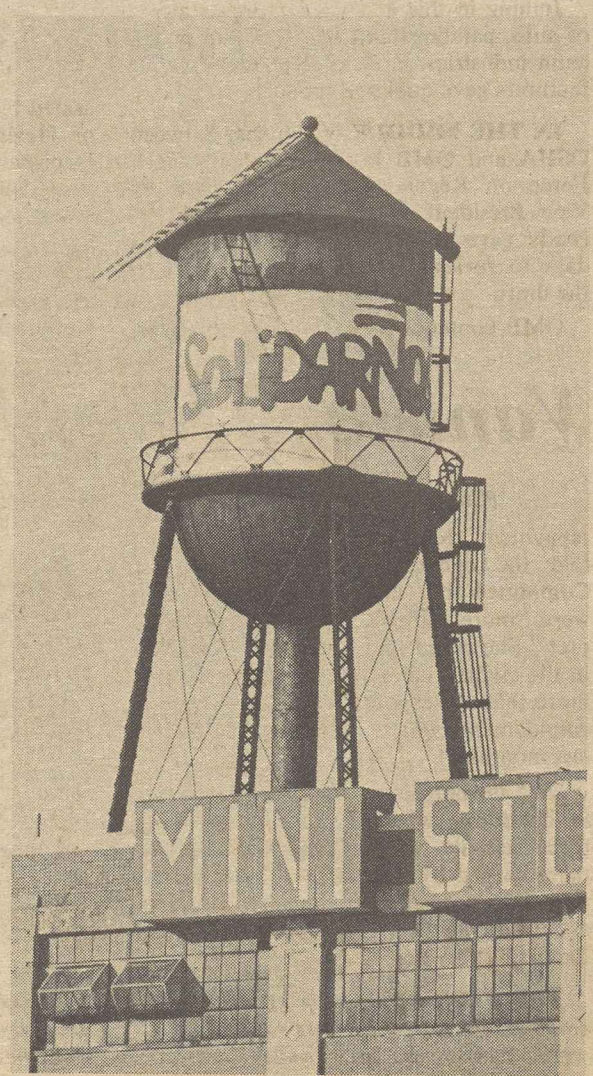
Denver rally



Milwaukee protest



AFL-CIO headquarters building



Water tower near U.S. Capitol

Second Thoughts on OSHA

State, City Regulations Snare Chemical Firms

By John R. Oravec

Several employer groups that previously fought a federal occupational health standard on the labeling of toxic chemicals are having second thoughts—now that state and city regulations are starting to fill the gap.

Most industry organizations, led by the nation's largest chemical firms, adamantly opposed a regulation drafted during the Carter Administration that would have assured workers the right to know what hazardous substances they encounter on the job.

HEEDING INDUSTRY complaints, the Reagan Administration upon taking office quickly torpedoed the labeling proposal. It was one of the first actions of Labor Sec. Raymond J. Donovan after his confirmation.

Since then, several states and a handful of cities—spurred by union grass-roots lobbying—instituted requirements for chemical labeling that have the industry on the defense. Employers are now concerned that regulations being developed at the state and local level are a lot stiffer than what they could get from the Administration.

Unions have been fighting for a strong federal toxic labeling standard for the past decade, AFL-CIO Occupational Safety Director George H. R. Taylor said in noting that thousands of workers die each year from exposure to chemicals they didn't know were hazardous.

Taylor pointed out that the original labeling proposal issued by former OSHA Administrator Eula Bingham was withdrawn by Donovan over the protests of the AFL-CIO.

THAT STANDARD would have required precise chemical identification and warnings on hazardous substances used in some 328,000 manufacturing facilities that employ more than 20 million workers.

The Occupational Safety & Health Administration has now drafted a watered-down version, according to union job safety experts. But even that "more flexible" proposal is being strongly opposed by David Stockman's Office of Management & Budget.

Employer groups, faced with the state and local labeling regulations, are now urging that OMB allow OSHA to proceed with publication of its draft of the labeling standard.

Joining in this effort are representatives of auto, paintings and coatings, and petroleum industries. Even the chemical manufacturers gave qualified support.

IN THE MIDDLE of the spat between OSHA and OMB is the President's Task Force on Regulatory Relief, headed by Vice President George Bush, which recently gave Stockman's office another 30 days to review its hardline opposition to the draft.

OMB contends that OSHA is not sticking close enough to the Administration's interpretation of the Supreme Court decision on benzene in addressing "significant risk" and the impact of costs of regulation versus benefits.

One of the industry groups, the National Paint & Coatings Association, wrote Bush that the flexible OSHA proposal was needed to avoid having state and local governments impose their own regulations on business. The Motor Vehicle Manufacturers Association also has called for publication of the labeling standard and the scheduling of hearings.

WHILE THE Chemical Manufacturers Association has urged that an OSHA draft be issued, it wants an even weaker regulation than the one now under consideration. It is seeking to further relax the requirements on the disclosure of all ingredients in a hazardous substance.

Industry's backing of a federal action rides largely on the hopes that a federal standard would preempt the rules of state and local governments.

Six states—Maine, Michigan, Connecticut, California, New York and West Virginia—have already enacted legislation on toxic labeling. Several other states have bills pending.

UNIONS ALSO favor a federal standard, Taylor noted, but one that is effective enough to give workers all the information they need to know about the ingredients and related hazards of toxic substances.

Labor, he observed, had been forced to seek relief at the state and local level because of the lack of an OSHA standard.

In a letter to Bush's office, Taylor pointed out that the responsibility for standard setting under the 1970 federal job safety law "rests squarely" with the OSHA administrator.

"INTERFERENCE by OMB will thus be interpreted as indifference by this Administration toward American workers as well as a decision that OMB, not OSHA, will establish occupational health policy," he asserted.

Meanwhile, the labor-supported Workers' Institute for Safety & Health is starting up a new computerized system to provide union members a wide range of data on toxic substances.

WISH has access to the Environmental Protection Agency's new Chemical Substance Information Network, which is linked to a number of data bases. Included are the National Library of Medicine, the Chemical Information System operated by EPA and the National Institutes of Health, the Chemicals in Commerce Information System and the Chemical Abstract Service.

Vernon McDougall, WISH's director of technical assistance and labor education, said the services will be available to union members at no charge during a two-month pilot period.

SOLIDARNOSC FLAG is presented to Philadelphia's City Council, which adopted a resolution of solidarity with Polish workers. It is presented by Philadelphia AFL-CIO President Edward F. Toohey, left. Holding the flag are Michael S. Perry of the Jewish Labor Committee and Edward Turzanski and Michael Blichasz of the Polish-American Congress.

Safety Directors Challenge Review of Cotton Dust Curb

Labor job safety specialists accused the Reagan Administration of launching a new attack on worker protections by reopening the federal cotton dust standard which the Supreme Court upheld last June.

In calling for the review, the Occupational Safety & Health Administration said "new health data and consideration of more cost-effective compliance methods may result in reconsideration of present exposure levels."

The AFL-CIO and the Clothing & Textile Workers charged that OSHA's action was an attempt to dismantle the 1978 regulation to help protect cotton textile workers from crippling "brown lung" disease.

NOTING THAT 100,000 American workers die each year from occupational illness, AFL-CIO Occupational Director George H. R. Taylor said that "if OSHA under the Reagan Administration were as zealous in developing new standards to protect workers from job site hazards as it is in attempting to weaken or wipe out those already in effect, it would be possible to anticipate a decrease in the continuing toll of occupationally injured, ill and dead workers."

ACTWU Safety Director Eric Frumin challenged OSHA's claim on the need to review "new health data" on worker exposure to cotton dust.

"There are no new data," Frumin asserted. "There is only the continuing effort of the textile industry to minimize the serious health risk posed by exposure to cotton dust."

The American Textile Manufacturers Association, which attempted to block the standard through court challenges that took the battle all the way to the Supreme Court, welcomed OSHA's call for the review.

ATMI sought to have the standard overturned on the contention that installation of required engineering controls was not economically feasible and that OSHA had ignored cost-benefit analyses in the development of the regulation.

IN UPHOLDING the standard, the court ruled that benefits should not be measured against restrictive costs tests when workers' health is at stake.

The court decision pointed out that Congress, in enacting the 1970 federal safety law, "itself defined the basic relationship between costs and benefits by placing the 'benefit' of worker health above all other considerations, save those of making attainment of this 'benefit' unachievable."

OSHA said that while it recognizes that the court's decision precludes the use of cost-benefit analysis in the cotton dust standard, "it is totally appropriate to reexamine new health data and alternative compliance approaches, as well as other matters relevant to the implementation and enforcement of the cotton dust standard."

OSHA Administrator Thorne G. Auchter said the standard will remain in effect during the review. The deadline for public comments is Mar. 25.

Kirkland Scores U.S. Retreat on Polish Sanctions

(Continued from Page 1)

one seriously believes that the Polish debt will be repaid.

"The loans were a bad risk in the first place. They were made only because the bankers assumed they could rely on the Soviet Union and the American taxpayer to cover their losses," said Kirkland, adding:

"The AFL-CIO does not believe that American foreign policy should be made by the bankers—or by the giant grain companies. We believe that the people ought to have something to say about how their government responds to the suppression of freedom in Poland."

FOR THAT REASON, he said, the AFL-CIO sponsored rallies and demonstrations in over 20 cities across the nation Jan. 30 at the appeal of the International Confederation of Free Trade Unions.

"We will continue to raise our voices in defense of Solidarity because we know that to defend Solidarity is ultimately to defend ourselves," Kirkland declared.

As an example of the ongoing show of support for the Polish workers, thousands of shipyard workers in Seattle planned to wear white ribbons Feb. 12. The demonstration of solidarity came in response to an initiative of the Seattle Metal Trades Council.

Vanishing Jobs Shrink Nation's Workforce

(Continued from Page 1)

repayment, Kirkland observed, "but no told the congressional Joint Economic Committee that the January jobless data were "more difficult than usual to interpret." She noted that a decline of 305,000 in the civilian labor force to 108.9 million more than offset a drop of 32,000 in total employment, which measured 99,581,000 last month.

"We do not have sufficient information to determine whether the drop in labor force activity resulted from discouragement caused by the recession, was merely a temporary phenomenon caused by January's bad weather, or resulted from other factors," Norwood said.

THE JANUARY drop in overall unemployment surprised analysts, many of whom had looked for a jobless rate of 9 percent or higher. BLS noted that the January release of employment and unemployment incorporated revised figures to reflect the 1980 Census population data.

In her JEC testimony, Norwood pointed out that widespread declines in nonfarm employment suggest that "no real improvement in the labor situation occurred in January."

January's frigid weather was a major factor in a decline of the average workweek to 34.1 hours, she said. The eight-tenths of an hour drop was the largest over-the-month decline ever recorded.

Nonagricultural payroll employment declined 235,000 in January and has dropped by 1.2 million since last September.

THE LARGEST over-the-month decline occurred in manufacturing, where employment fell by 215,000. There were particularly large cutbacks in transportation equipment, machinery and fabricated metals, the BLS reported.

The construction drop of 140,000 jobs, greater than in recent months, was attributed largely to weather conditions.

In the service industries, retail trade showed a seasonally adjusted gain. The BLS explanation was that "the normally expected reductions in sales staff did not take place due to the comparatively light pre-Christmas hiring." Government employment was down 35,000.

THE JOBLESS RATE for adult males declined to 7.5 percent from 7.9 percent in December, while the unemployment rate for adult women decreased to 7.2 percent from 7.4 percent, BLS said.

The rate for teenagers increased slightly from 21.5 percent to 21.7 percent over the month. Unemployment among whites fell to 7.5 percent from 7.7 percent the previous month, while the rate of blacks fell to 16.8 percent from 17.3 percent.

Where the Buck Stops

IN THE Harry S. Truman Library, at Independence, Mo., visitors can see the medallion that graced that doughty president's desk. It is the one that carried the familiar motto, "The Buck Stops Here."

It's time to return it to the White House, to the Oval Office where its lesson needs relearning.

Mr. Reagan seems to have forgotten that he is now the President of the United States, and that his stewardship must be measured on performance rather than campaign rhetoric.

JUST A YEAR AGO, on Feb. 18, 1981, President Reagan called on Congress to put the nation on the path to prosperity by enacting his economic program compounded of tax cuts and budget cuts, the shedding of federal responsibilities along with "burdensome" regulations.

An accompanying Administration "White Paper" made clear the view of the President and his advisers that the most important cause of the nation's problems was "the government itself."

Congress last year gave the President almost everything he sought. It hewed closer to the White House script than any Congress since the heyday of the New Deal.

When conditions got worse instead of better and the Administration last September came back for a second round of budget cuts, Congress met it at least part way. A few more strands were cut from the already skimpy safety net for the nation's needy.

AS FOR the "burdensome" regulations supposedly stifling business, the Administration foxes put in charge of the chicken coops saw to them.

Now, we hear from this President that the rise in unemployment and the slump in economic growth must be attributed to the mistake of his predecessors, to "problems that have been building for more than four decades," through the administrations of three Republican presidents as well as Mr. Reagan's Democratic predecessors.

In his recent campaign-style travels across the country, President Reagan has been even more agile in shifting the blame.

IN ONE of his more outrageous comments, he suggested that readers be skeptical of media stories dealing with hardships caused by his spending reductions. Some disgruntled government employee is probably behind it.

As Mr. Reagan put it: "At times such as these there are those in government employ who will possibly sabotage and deliberately penalize some individual who is not supposed to be penalized in order to get a story indicating the programs are not working."

HOW NICE to get away from those "puzzle palaces on the Potomac," the President tells his audiences, and to return to the "real world."

But the unemployment lines are long in the real world, and those standing in them are not as simple-minded as President Reagan seems to assume.

The "buck" has sure traveled a long distance since it left President Truman's desk at the White House.

In this Administration, who knows where it will stop next.

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THOMAS R. DONAHUE, *Secretary-Treasurer*
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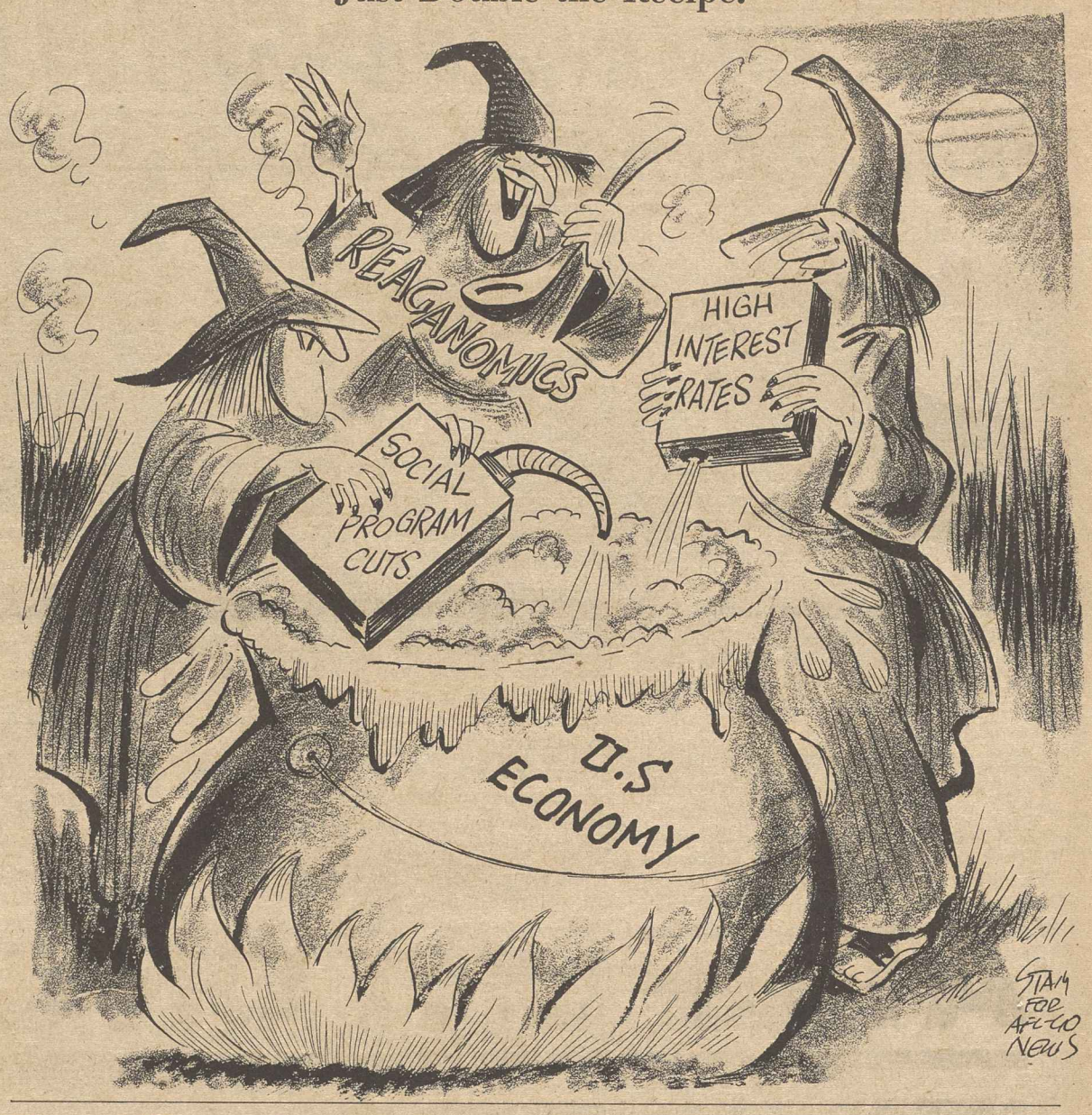

Rise of Monopolies

When Business Still Competed, Prices Would Even Go Down

By Gus Tyler

ONCE UPON a time, prices used to go down in America. They went down when times were good; they went down when times were bad.

Nowadays, we don't even expect them to go down. We cheer when the Labor Dept. announces, as it did recently, that prices in 1981 rose by only 8.9 percent. We're supposed to rejoice, which virtually nobody does because prices are still going up.

WE HAVE BECOME so inured to rising prices that we think it is normal, that prices have always risen. But, as a simple matter of fact, that is not the way it has always been.

Take a quick look at the last century. Prices in 1800 were twice as high as in 1860 and more than twice as high as in 1896. Indeed, if you look at that century, the general tendency was for prices to decline: the big exceptions took place during the War of 1812 and the Civil War.

When you get to our 20th Century, prices trend upward. In part this was due to wars: World War I, World War II, Korea, Vietnam. But even after we were out of these conflicts, prices continued to rise through the 1970s and into the 1980s. Prices rose, contrary to the previous century, both in good times and in bad times, during prosperity and recession in the last two decades.

What's the reason? One intriguing theory relates to competition and monopoly.

WHEN THE 19th Century opened there was not much competition in our economy. Producers served a local market and, in the absence of competition from other areas, they established a monopoly in the neighborhood. And prices were high.

But, notes John M. Blair in his classic text, Economic Concentration, with "the passage of time the economic conditions that had made for monopoly in the early part of the century gave way to conditions more favorable to competition. Rival producers began to spring up en masse." And as competition rose, prices fell.

But then things began to turn around again. "Concentration of industry (ownership of industries by a few) on a widespread scale made its appearance on the American scene as a result of the great consolidation movement of 1897-1905."

HORIZONTAL MONOPOLIES (few owners in one trade or industry) led to vertical corporations (in which the manufacturer owned his own suppliers and his own outlets) that led in turn to conglomerates (ownership of diverse enterprises by a handful).

Whatever the form, fewer and fewer controlled more and more of the economy. They were in the powerful position of being able to dictate prices—no matter what was happening in the economy.

As monopolies grew, prices rose—in good times and bad. That's the theory. It's worth a thought.

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Jobs Loss Underscores Reagan Policy Failure

One in 10 American workers is currently looking for a job.

When unemployment strikes an economy it is the duty of a responsible and a civilized society to perform four basic tasks:

First, assist the unemployed in their job search through effective employment service programs.

Second, improve the skills of the unemployed through realistic job training programs.

Third, maintain a decent quality of life for the jobless through unemployment insurance, and,

Fourth, develop a strategy for relieving the burdens of the unemployed by creating jobs through a realistic look at the economy—not as it was or how we hope it might be, but as it is.

The Administration has failed to perform the four basic tasks. The fact that we are here today, responding to an emergency request for suplemental unemployment benefits, is testament to the failure of this Administration's policies.

—Rep. George Miller (D-Calif.), in House debate. Feb. 9, 1982.

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1981

A REPORT ON CONGRESS

By Lane Kirkland

AT YEAR'S END the AFL-CIO analyzes the performance of Congress in terms of each Representative's and each Senator's votes for or against the interests of workers during the session. In 1981, long-standing laws and basic programs that benefit American working people, retirees, children—the full range of our society—came under serious attack.

In January 1981, Congress found itself facing a new President intent on dismantling the legislation that gave America its strength and growth of the past several decades. It soon became clear that Congress was unwilling to assert its role to resist that onslaught and to shape programs that would deal realistically with a declining economy and people's needs. In almost every instance a majority of the Congress became accomplices to President Reagan's dismantling of social and economic programs.

MUCH OF THE Reagan Administration program—tax policy, budget policy, energy policy, regulatory policy—can be explained as shifting hundreds of billions of dollars away from workers and the middle class and toward wealthy individuals and corporations in the name of supply-side economics. That program, it was promised, would improve the economy as investments would be made and new jobs created. The AFL-CIO testified before Congress that such a program would not work, and the signals are clear now that it is not working.

- The Administration promised that its tax cuts for the wealthy would somehow produce an economic boom to benefit all Americans. The alliance of Republicans and a minority of Democrats enacted his sought-for program. However, by fall the President was publicly confirming what everyone else already knew: The tax cut produced not a boom but a recession, and as the year closed the economic slowdown showed no sign of letting up.

- The Administration promised that its economic policies would create new jobs as it pushed through Congress massive cuts in highway, maritime, rail and public works programs. Instead, unemployment jumped from 7.2 percent in July 1981 to 8.8 percent in December, which translates into 1.5 million more unemployed workers. The hardship for those workers and their families was made worse by the cuts Reagan had brought about in unemployment compensation eligibility.

- By any criterion, the congressionally enacted Reagan program is a bust: the average standard of living is down; interest rates are still prohibitively high; inflation continues near double-digit levels; projected federal deficits have doubled; housing starts are down 48 percent; bankruptcies are up 40 percent; and home mortgage defiicits are at a record high.

The voting charts on the following pages will allow you to see where your legislators stood in 1981 on votes that offered clear choices between helping or hurting American workers and between making our nation poorer and weaker or stronger and more prosperous.

This special section carries labor's 1981 report card on Congress tabulating the votes on major issues of concern to the AFL-CIO in the first session of the 97th Congress. Congressmen have been judged on 15 and Senators on 19 key issues—"R-right" or "W-wrong" on the basis of the position the AFL-CIO took on the legislation. The tables also include the cumulative voting record and cumulative "right" percentage of each member since election to the House or Senate. With the voting records are brief descriptions of the issues—what the vote was about and its importance to the labor movement and the nation. Issues of prime importance to labor are the first 6 votes in the House and the first 8 votes in the Senate. In the tabulations they are the votes listed to the left of the rules.

Labor's Stand on Major Issues in the House

1. Slashing Labor Department Funds

The Reagan Administration's economic policies—Reaganomics—coupled a record tax bonanza for the wealthiest individuals and corporations with devastating cuts in the programs that help ensure a better life for the majority of Americans. The budget cuts hit particularly hard at the worker protection programs run by the Labor Dept. Federal funds to enforce union rights, job safety and fair wage legislation as well as unemployment compensation and manpower programs were slashed by nearly $23 billion over three years. Yet no sooner had Congress made these monumental budget reductions than the President sought more cuts.

As the economy fell into recession and the Administration economic advisers began to realize the potential of huge budget deficits due to its giveaway tax bill, rising unemployment and high interest rates, the President in September demanded a further 12-percent cut in non-defense program funding. During the debate on the Labor Dept. appropriations bill, Rep. Ralph Regula (R-Ohio) tried to recommit the bill to the Appropriations Committee to inflict another round of even harsher budget reductions in programs that protect workers. In the first major budget defeat for the Administration, the House rejected the motion by a 168-249 vote on Oct. 6.

Against—Right. For—Wrong.

2. Weakening Job Safety Protections

The conservative assault on "big government" set its sights on eradicating federal job safety protections for American workers. One target in 1981 was the Mine Safety & Health Administration (MSHA), whose health standards and enforcement policies for this hazardous industry are more stringent than those employed by OSHA.

During consideration of a Labor Dept. appropriations bill, Rep. John Rousselot (R-Calif.) offered an amendment to prohibit MSHA from spending any funds to enforce safety and health rules for workers employed in stone, sand and gravel surface mining operations. His amendment excluded some 40,000 surface miners from any federal job safety protection including OSHA, despite the fact that in 1978-80, 134 workers died in accidents in those mining industries—the worst collective job fatality record in surface mining. Despite those grim statistics and strong AFL-CIO opposition, the House approved the Rousselot amendment 254-165 on Oct. 6.

Against—Right. For—Wrong.

3. Saving American Jobs

As segments of the U.S. auto industry teetered on the brink of economic collapse, foreign car imports continued to take their toll. By year's end the United States had a staggering trade deficit of $10 billion in autos, auto parts and engines. Worse, nearly a million workers in auto plants and supplier industries stood in unemployment lines. With unregulated imports continuing to flood U.S. markets and thousands of job opportunities disappearing, the AFL-CIO renewed its support for "Buy American" preference provisions requiring that all taxpayer-financed federal programs use U.S.-produced goods and services where available.

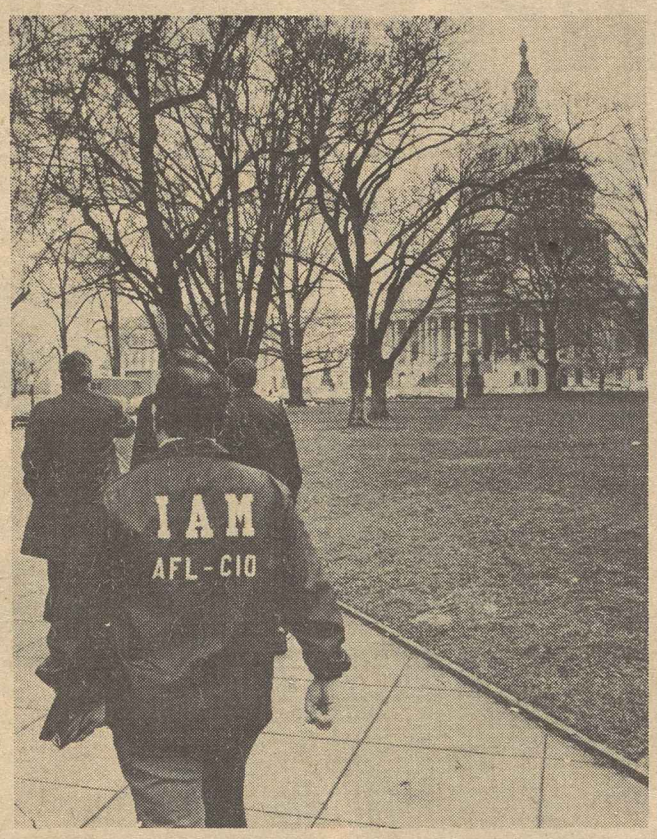
During consideration of the 1982 Defense authorization bill, Rep. Elwood Hillis (R-Ind.) proposed an amendment prohibiting the Defense Dept. from signing a contract worth more than $50,000 to purchase civilian cars or light trucks not made in the United States or Canada. Seen as a small step toward revitalizing the sagging auto industry, the Hillis amendment was adopted 231-187 on July 16.

For—Right. Against—Wrong.

4. Maintaining Public Works Jobs

A major federal public works program—the Tennessee-Tombigbee Waterway—barely escaped the ax of congressional budget cutting in 1981. This 232-mile inland canal, by connecting the Tennessee and Tombigbee Rivers, will allow barge traffic to flow from Appalachia to the Gulf seaport of Mobile, Ala. This labor-backed public works program is considered necessary to developing a modern mid-American waterway transportation system, which is vital to improving interstate commerce and furthering U.S. exports of agricultural commodities, coal and manufactured products. The government already has spent about $1 billion on the "Tenn-Tom" project, which now is more than 80 percent complete.

During debate on the 1982 energy and water appropriations bill, Rep. Joel Pritchard (R-Wash.) tried to delete $189 million earmarked for continuation of the "Tenn-Tom" project. The Pritchard amendment would have resulted in lost construction, maintenance and transportation jobs while preventing improvement



in U.S. commercial transportation and export capabilities. The amendment was rejected 198-208 on July 23.

Against—Right. For—Wrong.

5. Crippling Federal Worker Rights

Federal employees were hammered hard by President Reagan's budget cuts in 1981, as nearly 11,000 were fired while many others were transferred, often to lower paying positions. In 1982 at least another 5,000 are expected to lose their jobs as the President attempts to reduce the federal work force by 75,000 jobs. In addition to these reductions in personnel, the Administration sought to raise premiums for federal employee health benefits while at the same time arbitrarily denying coverage for certain kinds of medical care services.

Taking their cue from the President, congressional conservatives jumped in with their own version of anti-federal employee legislation during debate on a 1981 supplemental appropriations bill. Rep. John Ashbrook (R-Ohio) proposed an amendment to deny a full range of medical services for women, including abortions, which are now available under federal health insurance policies for which federal workers pay 60 percent of the premium. The AFL-CIO has taken no position on the issue of abortion; however, to the federation the key issue was not abortion but whether Congress could disregard the limited collective bargaining rights of federal workers by arbitrarily terminating certain health benefits that are now available to workers in the private sector. Despite opposition from the AFL-CIO, the amendment was approved 242-155 on May 13. Later, however, Senate opposition to this anti-worker proposal forced the House to drop it from the bill during conference deliberations.

Against—Right. For—Wrong.

6. Pay Raise for Strikebreakers

The eradication of the Professional Air Traffic Controllers Organization (PATCO) and the firing of 12,000 of its members were among the most vicious anti-labor acts by the federal government. Reneging on his campaign promise to address PATCO concerns about excessive hours of work and other demanding working conditions, President Reagan's negotiators responded by offering the union a 16-percent pay cut after the membership had rejected the first contract. When PATCO struck, the government refused to continue contract negotiations. Twelve thousand PATCO workers then were fired, their union decertified and their membership condemned to joblessness with little hope of reemployment. Thus far, this government-imposed lockout has caused more than $100 million in losses to the airlines. Thousands of airline workers who were innocent victims of the government's hard-line position have subsequently been laid off. The Federal Aviation Administration now admits that it will be three to five years before it can train replacements at an estimated cost of $140,000 per controller.

Since this bitter dispute began, AFL-CIO President Lane Kirkland and other union leaders have tried unsuccessfully to get the government to return the controllers to their jobs. Barely a week before the AFL-CIO Executive Council was to meet with President Reagan to discuss this issue, Congress voted to give the nonstriking controllers a pay raise that was in effect 40 percent higher than the government's last offer to PATCO. The pay raise had been included in the Senate version of an interim appropriations bill. Rep. Larry Coughlin (R-Pa.) offered a motion to have the House recede from its disagreement with the Senate amendment and thus in effect approve the pay boost. By a 213-183 vote on Nov. 22, the Coughlin motion was approved. Ironically, the entire continuing appropriations resolution, which included the pay hike for strikebreakers, was vetoed by the President and the controversial provision was removed from a subsequent funding bill.

Against the motion—Right. For the motion—Wrong.

7. Destroying Federal Programs I

The Reagan budget slashed billions of dollars from "people" programs in order to finance "trickle-down" tax breaks for the rich and corporations. By eliminating more than $214 billion over three years, social investments necessary to strengthen the economy were eradicated, the meager incomes of the jobless, the elderly and the poor were cut, and the nation's long-range needs for energy security, transportation improvements, environmental safeguards and urban development were seriously endangered.

During consideration of the First Budget Resolution—the first step in the congressional process that sets yearly federal spending targets—the AFL-CIO backed a substitute budget bill offered by Rep. David Obey (D-Wis.) to block a conservative alternative measure encompassing the Reagan budget cuts. The Obey bill sought to minimize damage to key programs such as unemployment compensation, Medicaid, housing, education and energy assistance. His substitute would have achieved budget savings comparable to the President's plan by limiting tax cuts to one year instead of three, while saving hundreds of thousands of jobs marked for extinction by the President's budget plan. Despite lobbying by the AFL-CIO and the Budget Coalition of more than 200 national public interest organizations, the Obey substitute was defeated 119-303 on May 6.

For—Right. Against—Wrong.

8. Destroying Federal Programs II

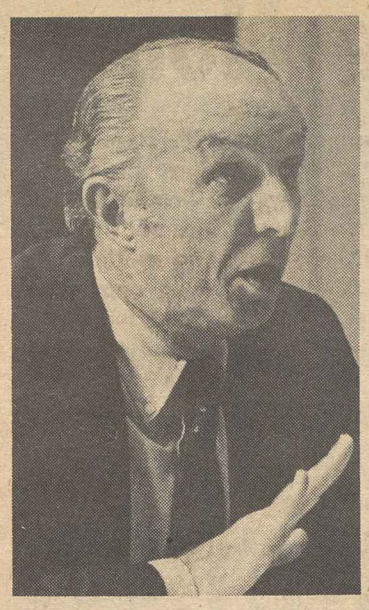
Once the Obey substitute was defeated, the conservative coalition rammed through the Reagan budget. Representatives Delbert Latta (R-Ohio) and Phil Gramm (D-Tex.) had earlier joined forces to sponor a substitute budget resolution incorporating the Reagan budget. The Gramm-Latta substitute inflicted far greater cuts in domestic programs than those originally proposed by the pending House Budget Committee measure. The extent of these budget cuts was far-reaching. For those seeking educational opportunity, $10 billion was cut in college loans and grants, aid to elementary and secondary schools, and the school lunch program. For the elderly, the budget made billion-dollar reductions in social security, railroad retirees' pensions, and federal employee retirement benefits while boosting Medicare premiums another billion dollars a year. For the jobless, $6 billion was axed from unemployment benefits while federal manpower programs were cut by $14 billion. For workers, major reductions in budget and personnel were imposed on such key agencies as OSHA and the NLRB. On economic development, $7 billion was severed from federal highway maintenance, mass transit and rail transportation funding. For the poor, $16 billion was cut from various assistance programs. Meanwhile, key consumer and environmental agencies saw their budgets, staff and regulatory authority substantially curtailed.

The AFL-CIO, warning that adoption of the Gramm-Latta substitute would cost a million Americans their jobs, condemned the Reagan budget cuts as "a high-risk gamble with the future of America in which workers and the poor take the lion's share of the risk." Turning aside labor's objections, the House adopted the Gramm-Latta substitute resolution 253-176 on May 7.

Against—Right. For—Wrong.

9. Destroying Federal Programs III

The First Budget Resolution, which cut more than $35 billion from federal social and economic programs, included "reconciliation" instructions requiring committees with jurisdiction over specific federal programs to translate these broad budget reductions into individual program cuts. Once completed, those cuts would then be packaged by the House Budget Committee into a budget "reconciliation" bill—the second of three steps in the congressional budget process. While the House committees tried to achieve the budget cuts in a manner that minimized hardship and job losses, President Reagan sought to dictate to the Congress



AFL-CIO Sec.-Treas. Thomas R. Donahue voices labor's opposition to anti-union nominee for NLRB at Senate hearing.

Federation President Lane Kirkland brands Reagan tax cut a giveaway to corporations and the wealthy. He was accompanied by Research Director Rudy Oswald, left, and Legislative Director Ray Denison.

Education Director Dorothy Shields warns of negative impact from tuition tax credit for private school students.

which programs should be cut and by how much. Only hours before the Budget Committee's reconciliation package was to be considered on the House floor, the conservative coalition countered with a 400-page budget bill targeting programs opposed by congressional conservatives for the steepest cuts. This strategy was a clear attempt to allow the Executive Branch to manipulate congressional budget procedure to bypass the legislative process, and push through massive cuts in federal programs that help working people and the poor.

As a counter-strategy, House Democrats constructed a debate rule to force separate votes on each of the deepest Reagan cuts—in social security benefits, the school lunch program, college loans, inflation adjustments for federal retiree pensions, and housing and welfare assistance for the poor. The key vote came on a procedural motion by Rep. Richard Bolling (D-Mo.) to "order the previous question" and thus end debate on the proposed Democratic rule. Seeking to avoid the political consequences of voting for deep cuts in federal programs that enjoyed wide public support, the conservative coalition lined up to defeat the Bolling motion by a 210-217 vote, June 25. By limiting Congress to a single vote on budget reconciliation, the President was thus able to achieve permanent changes in long-standing federal programs that would have been impossible under conditions of reasoned debate.

For the motion—Right. Against the Motion—Wrong.

10. Destroying Federal Programs IV

No sooner had Congress approved President Reagan's massive budget cuts than he was back asking for still deeper reductions. The President's economic advisers realized that the combination of deepening recession, exorbitant interest rates and their near-trillion-dollar "supply side" tax-cut giveaway were likely to generate uncontrollable deficits over the next few years. Instead of back-tracking on the tax bill, the President's solution was again to victimize those with little political influence by slashing their programs. In September, the President used television to urge another $16 billion in budget cuts, including a 12-percent across-the-board reduction in non-defense programs on top of the $35 billion in cuts enacted only two months earlier.

Unable to complete action on all federal agency appriations bills before a Nov. 20 deadline, the House Appropriations Committee reported a stopgap funding bill that cut another $2 billion—far short of the President's $16 billion request. When the bill came to the floor Rep. Robert Michel (R-Ill.) moved to recommit the bill to committee with orders that additional cuts be made. In a rare budgetary setback for the Administration, the House rejected Michel's motion 189-201 on Nov. 16. However, the President vetoed the bill, forcing an unprecedented and wasteful one-day shutdown of most government agencies.

Against recommittal — Right. For recommittal — Wrong.

11. Destroying Federal Programs V

Following President Reagan's veto of the continuing appropriations bill, the House Appropriations Committee constructed a new funding measure that fell far short of the President's budget-cutting expectations. Once the bill reached the floor, the Republicans again sought further cuts. Rep. Silvio Conte (R-Mass.) led the attack this time with another motion to send the interim funding bill back to committee with instructions to cut nearly $2 billion more than the $2 billion already cut by committee. The Republican strategy was to slice another $4 billion in federal spending so as to

Union members spell out their concerns over Reagan's deep slashes in vital programs in a meeting with Rep. Ramano Mazzoli (D-Ky.).

achieve an overall 4-percent across-the-board funding reduction in certain non-defense federal agencies. Particularly hard hit were Labor Dept. programs that had already been cut by 12 percent. For OSHA, the Conte motion cut another $5 million which, combined with earlier reductions, will force a major cutback in job safety inspections. An additional $8 million cut from the NLRB budget coupled with previous reductions will force layoffs of some 300 employees, thus delaying union elections and trebling the backlog of unfair labor practice charges and other cases before the Board. The new budget resolution also inflicted a 25 percent reduction in personnel who process unemployment benefit claims, which, at a time of rising unemployment, will significantly delay the payment of benefits. Despite strong AFL-CIO opposition to the Conte recommittal motion, it was adopted 222-194 on Dec. 10.

Against recommittal — Right. For recommittal — Wrong.

12. Billion-Dollar Tax Giveaways

The second part of the Reaganomics equation was a trickle-down, tax-cut bill that used the billions of dollars in budget reductions from federal social and economic programs to finance a huge tax cut for the rich and big business. As enacted, the Reagan tax bill is the most expensive revenue-loser in history. By 1986 it will cost the federal Treasury $750 billion in lost revenue.

The Reagan tax bill will cut the effective corporate income tax rate in half at a loss of $170 billion within five years. And the oil companies will reap an additional $12 billion tax bonus. By 1986 the bill will save the heirs of the rich $15 billion in estate and gift taxes while new "savings incentives" tax schemes heap another $21 billion on those who can afford large savings accounts. The highly touted "across-the-board" cuts used to peddle the Reagan tax scheme were later labeled a "Trojan Horse" by Reagan Budget Director David Stockman. They were really designed, he said, to ensure passage of the Administration's hidden objective—slashing the top income tax rate for the rich from 70 to 50 percent. Thus, the individual tax cuts allotted one-third of the tax savings to the wealthiest six percent of American taxpayers.

During House deliberations on the tax bill, the Administration competed with House Democrats for the votes of oil-state Democrats. As a result, a so-called Democratic alternative tax bill emerged, loaded with a host of last-minute special-interest amendments, making it just as costly and only slighty less inequitable than the Reagan proposal. For that reason the AFL-CIO supported a substitute measure offered by Reps. Morris Udall (D-Ariz.), David Obey (D-Wis.), and Henry Reuss (D-Wis.), which provided for a one-year tax cut with no special-interest sweeteners" for the oil industry or the wealthy. This labor-backed alternative would have provided for a fairer distribution of personal tax cuts while targeting business tax reductions to areas and firms in economic need, at less than half the cost of the Reagan package. Despite strong AFL-CIO lobbying, the House rejected the substitute 144-288 on July 29.

For—Right. Against—Wrong.

13. Achieving Energy Independence

During consideration of the 1982 Energy appropriations bill, Rep. Vin Weber (R-Minn.) proposed an amendment to delete $135 million in funding for construction of a synthetic fuels demonstration plant in Newman, Ky. If approved, this amendment would have weakened U.S. efforts to overcome its dependence on foreign oil and political vulnerability to countries that supply it. With several thousand jobs also at stake in an area hard hit by unemployment, the AFL-CIO urged that the amendment be rejected. It was voted down 177-236 on July 22.

Against—Right. For—Wrong.

14. Protecting Civil Rights

The Voting Rights Act of 1965, a landmark civil rights law, important provisions of which are scheduled to expire in 1982, has resulted in doubling of voter registration among blacks in the South and has enabled greater numbers of minority citizens to seek and win elected office. The AFL-CIO and civil rights groups lobbied for extension of the law, particularly its important "pre-clearance" provision, which requires political subdivisions with a history of discrimination to seek approval from the U.S. Attorney General before making any change in election laws or practices.

When the Voting Rights Act extension bill came before the House, it contained a compromise "bail-out" provision that would allow covered jurisdictions to apply for exemption from the "pre-clearance" requirement if they satisfied certain criteria of good conduct in voting procedures and practices. One of those criteria was to bring their "bail-out" petitions to the federal court in the District of Columbia. Rep. Caldwell Butler (R-Va.) proposed an amendment to allow jurisdictions to argue their "bail-out" cases before federal judges across the country, in judicial forums which lacked the expertise of the D.C. court. The AFL-CIO urged rejection of the Butler amendment, which the House turned down by a 132-277 vote on Oct. 5.

Against—Right. For—Wrong.

15. Food Stamps

A major supplementary unemployment benefit program to help feed the families of long-term jobless workers is the federal food stamp program. Long a target of conservatives, funding for the anti-hunger program was cut by nearly $2 billion in 1981, as Reagan budget cutters lopped off eligibility for 1.1 million needy persons. During House debate on a food stamp funding bill, conservatives led by Rep. Robert Walker (R-Pa.) tried a different strategy to cut even more from the programs. His amendment would have required most poor recipients of food stamp benefits to deplete their already meager incomes by paying for a portion of their benefits. Opposed by the AFL-CIO, the Walker amendment was rejected 147-251 on Oct. 22.

Against—Right. For—Wrong.

How Your Members Voted in th

	Labor Dept. Funds	Job Safety	Auto Industry Jobs	Public Works Jobs	Federal Bargaining Rights	Strikebreakers' Pay Raise	Total Labor Votes		Federal Program Cuts I	Federal Program Cuts II	Federal Program Cuts III	Federal Program Cuts IV	Federal Program Cuts V	Tax Giveaways	Energy Independence	Civil Rights	Food Stamps	Cumulative Voting Record		Cumulative Right Percentage
	1	2	3	4	5	6	R	W	7	8	9	10	11	12	13	14	15	R	W	%
ALABAMA																				
1. Edwards J. (R)	W	W	W	R	R	W	2	4	W	W	W	W	W	W	R	W	W	31	185	14
2. Dickinson (R)	W	W	W	R	R	W	2	4	W	W	W	W	W	W	R	W	R	24	194	11
3. Nichols (D)	R	W	R	R	W	W	3	3	A	W	W	W	W	R	R	W	R	58	144	29
4. Bevill (D)	R	R	A	R	W	R	4	1	W	W	R	R	R	R	R	W	R	105	98	52
5. Flippo (D)	R	W	R	R	R	R	5	1	W	W	R	R	R	R	R	W	R	41	46	47
6. Smith (R)	W	W	W	R	W	W	1	5	W	W	W	W	W	W	R	W	W	2	13	13
7. Shelby (D)	W	W	R	R	W	W	2	4	W	W	W	W	W	W	R	W	R	16	38	30
ALASKA																				
AL Young D. (R)	R	W	W	R	W	A	2	3	W	W	W	W	W	W	R	R	R	58	88	40
ARIZONA																				
1. Rhodes (R)	W	W	A	R	W	W	1	4	W	W	W	W	W	W	W	W	A	25	236	10
2. Udall (D)	R	R	W	R	R	R	5	1	R	R	R	R	R	R	W	R	R	176	32	85
3. Stump (D)	W	W	W	R	W	W	1	5	W	W	W	W	W	W	R	W	W	11	84	12
4. Rudd (R)	W	W	W	R	W	W	1	5	W	W	W	A	W	W	R	W	W	9	86	9
ARKANSAS																				
1. Alexander (D)	R	W	R	R	R	R	5	1	W	R	R	R	R	R	R	R	R	108	72	60
2. Bethune (R)	A	W	R	R	W	W	2	3	W	W	W	W	W	W	W	R	R	11	41	21
3. Hammerschmidt (R)	W	W	R	R	W	W	2	4	W	W	W	W	W	W	R	R	W	33	173	16
4. Anthony (D)	R	W	R	R	R	R	5	1	W	W	R	R	R	W	R	R	R	26	26	50
CALIFORNIA																				
1. Chappie (R)	W	W	W	A	W	W	0	5	W	W	W	W	W	W	W	W	W	0	14	0
2. Clausen (R)	W	W	W	R	W	W	1	5	W	W	W	W	W	W	W	W	W	48	174	22
3. Matsui (D)	R	R	W	R	R	R	5	1	R	R	R	R	R	W	R	R	R	46	8	85
4. Fazio (D)	R	W	W	R	R	R	4	2	R	R	R	R	R	R	R	R	R	43	10	81
5. Burton J. (D)	A	A	R	W	A	R	2	1	R	R	R	A	R	R	W	A	A	118	11	91
6. Burton P. (D)	R	R	W	W	R	A	3	2	R	R	R	R	R	R	R	R	R	202	15	93
7. Miller G. (D)	R	R	R	W	R	R	5	1	R	R	R	R	R	R	W	R	R	121	14	90
8. Dellums (D)	R	R	W	W	R	R	4	2	R	R	R	R	R	R	W	R	R	167	17	91
9. Stark (D)	R	R	R	W	R	R	5	1	R	R	R	R	R	R	W	R	R	138	15	90
10. Edwards D. (D)	R	R	R	W	R	R	5	1	R	R	R	R	R	R	R	R	R	212	17	93
11. Lantos (D)	R	R	R	W	R	A	4	1	W	R	R	R	R	W	W	R	R	10	4	71
12. McCloskey (R)	W	W	W	W	R	A	1	4	W	W	W	W	W	W	W	R	A	91	94	49
13. Mineta (D)	R	R	R	R	R	R	6	0	R	R	R	R	R	W	R	R	R	121	20	86
14. Shumway (R)	W	W	W	R	W	W	1	5	W	W	W	W	W	W	R	W	W	5	45	10
15. Coelho (D)	R	R	R	R	R	R	6	0	W	R	R	R	R	W	R	R	R	38	14	73
16. Panetta (D)	R	W	W	W	R	R	3	3	R	R	R	R	R	R	R	R	R	64	31	67
17. Pashayan (R)	A	W	R	R	W	W	2	3	W	W	W	W	W	W	W	A	W	13	39	25
18. Thomas (R)	A	A	W	R	W	W	1	3	W	W	W	W	W	W	W	W	W	5	46	10
19. Lagomarsino (R)	W	W	W	W	W	W	0	6	W	W	W	W	W	W	W	W	W	20	133	13
20. Goldwater (R)	W	W	W	R	W	A	1	4	W	W	W	A	W	W	W	W	A	17	164	9
21. Fiedler (R)	A	A	R	W	R	W	2	2	W	W	W	W	W	W	R	A	W	3	9	25
22. Moorhead C. (R)	W	W	W	W	W	W	0	6	A	W	W	W	W	W	W	W	W	16	142	10
23. Bellenson (D)	R	R	W	W	R	R	4	2	R	R	R	R	R	R	W	R	R	73	21	78
24. Waxman (D)	R	R	W	W	A	R	3	2	R	R	R	R	R	R	W	R	A	118	17	87
25. Roybal (D)	R	R	W	R	R	R	5	1	R	R	R	R	R	R	R	R	R	213	15	93
26. Rousselot (R)	W	W	W	W	W	W	0	6	W	W	W	W	W	W	W	W	W	17	175	9
27. Dornan (R)	W	W	A	W	W	A	0	4	W	W	W	W	W	W	W	R	W	8	85	9
28. Dixon (D)	R	R	A	R	R	R	5	0	R	R	R	R	R	R	R	R	R	47	3	94
29. Hawkins (D)	R	R	R	R	R	R	6	0	R	R	R	R	R	R	W	R	R	205	11	95
30. Danielson (D)	R	R	A	W	R	R	4	1	R	R	A	R	R	R	R	R	R	161	16	91
31. Dymally (D)	R	R	W	A	A	R	3	1	R	R	R	R	A	R	A	R	R	10	1	91
32. Anderson G. (D)	R	R	W	R	R	W	4	2	W	R	R	R	R	R	R	R	R	162	33	83
33. Grisham (R)	W	W	R	W	W	W	1	5	W	W	W	W	W	W	W	W	W	5	46	10
34. Lungren (R)	W	W	W	W	W	W	0	6	W	W	W	W	W	W	W	W	W	4	50	7
35. Dreier (R)	W	W	W	W	W	W	0	6	W	W	W	W	W	W	W	W	W	0	15	0
36. Brown G. (D)	R	R	W	R	R	R	5	1	R	R	R	A	R	R	W	R	R	175	21	89
37. Lewis (R)	W	W	W	W	W	W	0	6	W	W	A	W	W	W	A	A	W	7	44	14
38. Patterson (D)	R	R	R	R	R	R	6	0	R	W	R	R	R	R	A	R	R	106	18	85
39. Dannemeyer (R)	W	W	W	W	W	W	0	6	W	W	W	W	W	W	W	W	W	4	50	7
40. Badham (R)	W	W	A	R	W	W	1	4	A	W	W	W	W	W	R	W	W	12	78	13
41. Lowery (R)	W	W	W	W	W	W	0	6	W	W	W	W	W	W	W	W	W	0	15	0
42. Hunter (R)	W	W	R	R	W	W	2	4	W	W	W	W	W	W	R	R	W	4	11	27
43. Burgener (R)	W	W	W	R	R	W	2	4	A	W	W	W	W	W	W	W	W	24	133	15
COLORADO																				
1. Schroeder (D)	R	R	R	W	R	R	5	1	R	R	R	R	R	W	W	R	R	118	44	73
2. Wirth (D)	R	W	A	R	R	R	4	1	W	R	R	R	R	W	W	R	R	99	37	73
3. Kogovsek (D)	R	R	R	R	R	R	6	0	R	R	R	R	R	R	R	R	R	44	9	83
4. Brown (R)	W	W	W	R	R	W	2	4	W	W	W	W	W	W	W	W	W	2	13	13
5. Kramer (R)	W	W	R	R	W	A	2	3	W	W	W	W	W	W	R	W	W	7	43	14
CONNECTICUT																				
1. Vacant	—	—	—	—	—	—	0	0	—	—	—	—	—	—	—	—	—	0	0	0
2. Gejdenson (D)	R	W	R	W	R	R	4	2	R	R	R	R	R	R	W	R	R	12	3	80
3. Denardis (R)	R	R	R	W	W	W	3	3	W	W	W	R	W	R	W	R	R	7	8	47
4. McKinney (R)	R	W	R	W	R	W	3	3	W	W	W	W	W	W	R	R	R	98	71	58
5. Ratchford (D)	R	R	R	W	R	R	5	1	R	R	R	R	R	R	W	R	R	44	9	83
6. Moffett (D)	R	R	R	W	R	R	5	1	R	R	R	R	R	R	W	R	R	123	15	89
DELAWARE																				
AL Evans T. (R)	W	W	W	W	R	W	1	5	W	W	W	W	W	W	R	W	R	19	71	21
FLORIDA																				
1. Hutto (D)	W	W	W	R	W	R	2	4	W	W	W	R	W	W	R	R	R	22	31	42
2. Fuqua (D)	R	W	W	R	W	A	2	3	W	W	R	R	W	W	R	R	R	78	141	36
3. Bennett (D)	R	W	W	R	R	W	3	3	W	W	W	W	W	R	R	R	W	124	165	43
4. Chappell (D)	W	W	R	R	W	R	3	3	W	W	W	R	W	W	R	W	R	59	133	31
5. McCollum (R)	W	W	R	R	W	W	2	4	W	W	W	W	W	W	W	W	W	2	13	13
6. Young C. W. (R)	W	W	W	W	W	W	0	6	W	W	W	W	W	W	R	W	W	31	156	17
7. Gibbons (D)	R	W	W	R	W	W	2	4	W	W	R	W	R	W	R	R	W	128	95	57
8. Ireland (D)	W	W	W	R	A	W	1	4	W	W	W	W	W	W	R	R	R	18	72	20
9. Nelson (D)	W	W	W	R	W	W	1	5	W	W	R	R	W	W	R	R	R	19	35	35
10. Bafalis (R)	W	A	W	W	W	W	0	5	W	W	W	W	W	W	A	W	W	24	133	15
11. Mica D)	R	W	R	R	W	W	3	3	W	W	R	R	R	R	R	R	R	24	28	46
12. Shaw (R)	W	W	W	W	W	W	0	6	W	W	W	W	W	W	W	W	W	0	15	0
13. Lehman (D)	R	R	W	R	R	R	5	1	W	R	R	A	R	R	R	R	R	136	25	84
14. Pepper (D)	R	R	R	R	R	R	6	0	R	R	R	R	R	R	R	A	R	209	16	93
15. Fascell (D)	R	R	W	R	R	R	5	1	W	R	R	R	R	R	R	R	R	220	50	81
GEORGIA																				
1. Ginn (D)	R	W	R	R	R	R	5	1	W	W	R	R	R	W	R	R	R	83	81	51
2. Hatcher (D)	R	W	W	R	R	R	4	2	W	W	R	A	R	W	R	W	R	8	6	57
3. Brinkley (D)	R	W	W	W	R	W	2	4	W	W	R	W	R	W	W	W	R	71	137	34
4. Levitas (D)	R	W	W	R	R	W	3	3	W	W	R	W	R	W	R	W	R	70	72	49
5. Fowler (D)	R	W	W	W	R	R	3	3	R	R	R	R	R	W	W	R	A	55	34	62
6. Gingrich (R)	W	W	W	W	W	W	0	6	W	W	W	W	W	W	W	W	A	2	50	4
7 McDonald (D)	W	W	W	W	W	W	0	6	W	W	W	W	W	W	W	W	W	10	133	7
8. Evans B. (D)	R	W	R	R	A	R	4	1	A	W	W	W	A	W	R	W	R	34	54	39
9. Jenkins (D)	W	W	W	R	R	R	3	3	W	W	R	W	W	W	R	W	R	31	59	34
10. Barnard (D)	W	W	W	R	W	W	1	5	W	W	W	W	W	W	R	W	R	15	76	16
HAWAII																				
1. Heftel (D)	R	W	R	R	R	R	5	1	W	R	R	R	R	W	W	R	R	64	29	69
2. Akaka (D)	R	R	R	R	R	R	6	0	R	R	R	R	R	R	R	R	R	78	19	80
IDAHO																				
1. Craig (R)	W	W	R	R	W	W	2	4	W	W	W	W	W	W	W	W	W	2	13	13
2. Hansen (R)	W	W	W	R	W	A	1	4	W	W	W	W	W	W	W	W	W	13	142	8
ILLINOIS																				
1. Washington (D)	R	R	R	W	R	R	5	1	R	R	R	R	R	R	W	R	R	13	2	87
2. Savage (D)	R	R	R	A	R	R	5	0	R	R	R	R	R	A	A	R	A	11	0	100
3. Russo (D)	R	R	R	W	W	R	4	2	W	R	R	R	R	W	R	R	R	107	34	76
4. Derwinski (R)	W	R	W	W	W	W	1	5	W	W	W	W	W	W	W	R	W	38	212	15
5. Fary (D)	R	R	W	W	W	R	3	3	R	R	R	R	R	W	R	R	R	111	17	87
6. Hyde (R)	W	W	W	W	W	W	0	6	W	W	W	W	W	W	W	W	R	29	116	20
7. Collins C. (D)	R	R	R	W	R	R	5	1	R	R	R	R	R	R	W	R	R	137	11	93
8. Rostenkowski (D)	R	R	W	R	W	R	4	2	W	R	R	R	R	W	R	R	R	218	29	88
9. Yates (D)	R	R	W	W	R	R	4	2	R	R	R	R	R	R	W	R	R	251	24	91
10. Porter (R)	W	W	W	W	W	W	0	6	W	W	W	W	W	W	W	R	W	3	23	12
11. Annunzio (D)	R	R	W	R	W	R	4	2	R	R	R	R	R	W	R	R	R	201	21	91
12. Crane P. (R)	W	W	W	W	W	W	0	6	W	W	W	W	W	W	W	W	W	13	162	7
13. McClory (R)	W	W	W	W	W	W	0	6	W	W	W	W	W	W	W	W	W	38	193	16
14. Erlenborn (R)	W	W	W	W	A	W	0	5	W	W	W	W	W	W	W	W	W	24	186	11
15. Corcoran (R)	W	W	R	W	W	W	1	5	W	W	W	W	W	W	W	R	W	9	86	9
16. Martin (R)	A	W	R	W	R	W	2	3	W	W	W	W	W	W	R	R	W	4	10	29
17. O'Brien (R)	R	W	W	R	W	W	2	4	W	W	W	W	W	W	W	W	W	29	130	18
18. Michel (R)	W	W	W	W	W	W	0	6	W	W	W	W	W	W	A	W	W	32	230	12
19. Railsback (R)	W	W	R	W	R	W	2	4	W	W	W	W	W	W	R	R	R	81	119	40
20. Findley (R)	W	W	W	R	R	W	2	4	W	W	W	W	W	W	R	R	R	48	192	20
21. Madigan (R)	W	W	R	W	W	A	1	4	W	W	W	W	W	W	R	W	W	46	112	29
22. Crane D. (R)	W	W	R	W	W	A	1	4	W	W	W	W	W	W	W	W	W	4	48	8
23. Price (D)	R	R	W	R	R	R	5	1	R	R	R	R	R	W	R	R	R	272	12	96
24. Simon (D)	R	R	W	R	W	A	3	2	R	R	R	R	R	W	R	R	R	106	28	79
INDIANA																				
1. Benjamin (D)	R	R	R	R	W	R	5	1	R	R	R	R	R	R	R	R	R	81	16	84
2. Fithian (D)	R	R	A	W	W	R	3	2	A	R	R	A	A	R	R	R	R	93	41	69
3. Hiler (R)	W	W	R	W	W	W	1	5	W	W	W	W	W	W	W	R	W	2	13	13
4. Coats (R)	W	R	R	W	W	W	2	4	W	W	W	W	W	W	W	R	W	3	12	20
5. Hillis (R)	W	W	R	W	W	A	1	4	W	W	W	W	W	W	R	R	W	62	112	36
6. Evans D. (D)	R	R	R	R	W	R	5	1	W	W	R	R	R	R	R	R	R	87	49	64
7. Myers J. (R)	W	W	R	R	W	A	2	3	W	W	R	W	W	W	R	W	W	35	172	17
8. Deckard (R)	W	W	R	W	A	W	1	4	W	W	W	W	W	W	W	R	A	9	41	18
9. Hamilton (D)	R	W	R	W	W	W	2	4	W	R	R	R	R	R	R	R	R	148	75	66
10. Sharp (D)	R	W	R	W	W	A	2	3	W	R	R	R	R	R	W	R	W	96	46	68
11. Jacobs (D)	R	R	R	W	W	R	4	2	W	W	R	R	R	R	W	R	R	138	64	68
IOWA																				
1. Leach J. (R)	R	W	W	W	W	W	1	5	W	W	W	W	W	W	W	R	R	28	69	29
2. Tauke (R)	R	W	W	W	W	A	1	4	W	W	W	W	W	W	W	R	W	10	40	20
3. Evans (R)	R	W	W	W	W	W	1	5	W	W	W	W	W	W	R	R	R	4	11	27
4. Smith N. (D)	R	W	W	R	W	R	3	3	W	R	R	R	R	W	A	R	R	196	47	81
5. Harkin (D)	R	W	W	W	R	R	3	3	R	R	R	R	R	R	W	R	R	95	39	71
6. Bedell (D)	R	W	W	W	W	R	2	4	W	R	R	A	W	R	W	R	R	85	55	61
KANSAS																				
1. Roberts (R)	W	W	W	W	A	W	0	5	W	W	W	W	W	W	W	W	W	0	14	0
2. Jeffries (R)	W	W	W	W	W	W	0	6	W	W	W	W	W	W	W	W	W	4	49	8
3. Winn (R)	W	W	W	R	W	A	1	4	W	W	W	W	W	W	W	W	W	34	163	17
4. Glickman (D)	R	W	W	W	R	W	2	4	W	R	R	R	R	W	R	R	R	55	42	57
5. Whittaker (R)	W	W	W	W	W	W	0	6	W	W	W	W	W	W	R	W	W	5	49	9
KENTUCKY																				
1. Hubbard (D)	R	R	R	R	W	R	5	1	W	R	R	W	R	W	R	A	R	80	58	58
2. Natcher (D)	R	R	R	R	W	R	5	1	W	W	R	R	R	R	R	R	R	194	85	70
3. Mazzoli (D)	R	R	R	A	W	W	3	2	W	W	R	R	R	W	R	R	R	122	57	68
4. Snyder (R)	R	R	R	R	W	W	4	2	W	W	W	W	W	W	R	W	W	46	175	21
5. Rogers (R)	R	R	R	R	W	W	4	2	W	W	W	W	W	W	R	W	R	6	9	40
6. Hopkins (R)	R	R	R	W	W	W	3	3	W	W	W	W	W	W	R	R	R	14	37	27
7. Perkins (D)	R	R	W	R	W	R	4	2	R	R	R	R	R	R	R	R	R	252	31	89
LOUISIANA																				
1. Livingston (R)	R	W	W	R	W	W	2	4	W	W	W	W	W	W	R	W	R	12	69	15
2. Boggs (D)	R	W	W	R	W	R	3	3	W	R	R	R	R	W	R	R	R	108	46	70
3. Tauzin (D)	W	W	W	R	A	W	1	4	W	W	W	W	W	W	R	W	R	5	12	29
4. Roemer (D)	W	W	R	R	W	W	2	4	W	W	W	W	W	W	W	W	R	3	12	20
5. Huckaby (D)	W	W	W	R	W	R	2	4	W	W	W	W	W	W	R	W	R	24	71	25
6. Moore (R)	W	W	W	W	W	W	0	6	W	W	W	W	W	W	W	W	R	13	127	9
7. Breaux (D)	W	W	W	R	W	W	1	5	W	W	W	W	W	W	R	W	R	57	100	36
8. Long G. (D)	R	R	W	R	W	R	4	2	W	R	R	A	R	W	R	R	R	121	86	58
MAINE																				
1. Emery (R)	W	W	R	W	W	W	1	5	W	W	W	W	W	W	R	R	W	55	86	39
2. Snowe (R)	R	W	R	W	R	W	3	3	W	W	W	W	W	W	R	R	R	24	29	45
MARYLAND																				
1. Dyson (D)	R	R	R	R	W	R	5	1	W	W	R	R	R	R	R	R	R	12	3	80
2. Long C. (D)	R	A	R	R	R	R	5	0	R	W	R	R	R	R	R	R	R	162	67	71
3. Mikulski (D)	R	R	R	W	R	R	5	1	R	R	R	R	R	R	W	R	R	84	11	88
4. Holt (R)	R	W	A	R	W	W	2	3	W	W	W	W	W	W	R	R	W	27	134	17
5. Hoyer (D)	R	W	R	R	*	R	4	1	*	*	R	R	R	R	R	R	R	11	1	92
6. Byron B. (D)	R	W	R	R	W	W	3	3	W	W	W	A	R	W	R	R	R	22	31	42
7. Mitchell P. (D)	R	A	R	A	R	R	4	0	R	R	R	R	R	R	W	R	R	173	11	94
8. Barnes (D)	R	R	R	W	R	R	5	1	R	R	R	R	R	R	W	R	R	46	6	88
MASSACHUSETTS																				
1. Conte (R)	R	W	W	W	W	W	1	5	W	W	W	R	W	R	R	R	R	157	99	61
2. Boland (D)	R	R	R	W	W	W	3	3	R	R	R	R	R	R	W	R	R	247	33	88
3. Early (D)	R	R	R	W	W	R	4	2	R	R	R	R	R	R	R	R	R	111	26	81
4. Frank (D)	R	R	R	W	R	R	5	1	R	R	R	R	R	R	W	R	R	13	2	87
5. Shannon (D)	R	R	R	W	R	R	5	1	R	R	R	R	R	W	W	R	R	46	7	88
6. Mavroules (D)	R	R	R	W	W	R	4	2	R	R	R	R	R	R	R	R	R	45	7	87
7. Markey (D)	R	R	R	W	W	R	4	2	R	R	R	R	R	R	W	R	R	81	15	84
8. O'Neill (D)																		173	9	95
9. Moakley (D)	R	R	R	A	W	R	4	1	R	R	R	R	R	R	W	R	R	142	16	90
10. Heckler (R)	R	R	R	W	W	W	3	3	W	W	W	R	W	W	R	R	R	142	63	69
11. Donnelly (D)	R	R	R	R	W	R	5	1	R	R	R	R	R	R	R	R	R	40	11	78
12. Studds (D)	R	R	W	W	R	R	4	2	R	R	R	R	R	R	W	R	R	147	18	89
MICHIGAN																				
1. Conyers (D)	R	R	R	R	R	R	6	0	R	R	A	R	R	R	W	R	R	184	18	91
2. Pursell (R)	R	W	R	W	R	R	4	2	W	W	W	R	W	W	R	R	R	53	38	58
3. Wolpe (D)	R	R	R	W	R	R	5	1	W	R	R	R	R	R	W	R	R	45	9	83
4. Siljander (R)	W	W	R	W	W	W	1	5	W	W	W	W	W	W	W	W	W	1	14	7
5. Sawyer (R)	W	W	R	W	W	W	1	5	W	W	W	A	W	W	R	W	W	18	72	20
6. Dunn (R)	W	W	R	W	R	W	2	4	W	W	W	W	W	R	W	R	W	4	11	26
7. Kildee (D)	R	R	R	W	W	R	4	2	R	R	R	R	R	R	W	R	R	86	11	89
8. Traxler (D)	R	R	R	R	W	R	5	1	W	R	R	R	R	W	W	R	R	118	25	83
9. Vander Jagt (R)	W	W	R	W	W	W	1	5	W	W	W	W	W	W	W	W	W	33	167	17
10. Albosta (D)	R	R	R	R	W	R	5	1	W	W	R	R	R	W	R	R	R	40	14	74
11. Davis (R)	R	W	R	W	W	W	2	4	W	W	W	R	W	W	R	R	R	25	28	47
12. Bonior (D)	R	A	R	W	W	R	3	2	R	R	R	R	R	R	W	R	R	86	10	90
13. Crockett (D)	R	A	R	R	A	R	4	0	A	R	R	R	A	R	W	R	R	10	1	91
14. Hertel (D)	R	R	R	W	W	R	4	2	R	R	R	A	R	R	W	R	R	11	3	79
15. Ford W. (D)	R	R	R	R	R	R	6	0	R	R	R	R	R	R	R	R	R	199	9	96
16. Dingell (D)	R	A	R	W	R	R	4	1	R	R	R	R	R	W	R	R	R	238	22	92
17. Brodhead (D)	R	R	R	W	R	R	5	1	R	R	R	R	R	R	W	R	R	131	11	92
18. Blanchard (D)	R	R	R	W	R	R	5	1	W	R	R	A	R	A	R	A	R	126	15	89
19. Broomfield (R)	W	W	R	W	W	W	1	5	W	W	W	W	W	W	W	R	W	43	154	22
MINNESOTA																				
1. Erdahl (R)	R	W	W	W	R	W	2	4	W	W	W	W	W	W	W	R	W	10	42	19
2. Hagedorn (R)	W	W	W	R	W	A	1	4	W	W	W	W	W	W	W	W	W	15	123	11
3. Frenzel (R)	W	W	W	W	R	W	1	5	W	W	W	W	W	W	W	W	W	34	149	19
4. Vento (D)	R	R	R	W	W	R	4	2	R	R	R	R	R	R	W	R	R	86	11	87
5. Sabo (D)	R	R	R	R	R	R	6	0	R	R	R	R	R	R	W	R	R	47	7	87
6. Weber (R)	W	W	W	W	W	W	0	6	W	W	W	W	W	W	W	R	W	1	14	7
7. Stangeland (R)	W	W	W	R	W	W	1	5	W	W	W	W	W	W	W	W	W	13	84	13
8. Oberstar (D)	R	R	R	R	W	R	5	1	R	R	R	R	R	R	W	R	R	129	13	91

Key to Symbols

R Voted Right or was paired Right.

W Voted Wrong or was paired Wrong.

A Absent and not paired.

* Not in Congress at time.

Number before each name shows congressional district.

he U.S. House of Representatives

	Labor Dept. Funds 1	Job Safety 2	Auto Industry Jobs 3	Public Works Jobs 4	Federal Bargaining Rights 5	Strikebreakers' Pay Raise 6	Total Labor Votes R	Total Labor Votes W	Federal Program Cuts I 7	Federal Program Cuts II 8	Federal Program Cuts III 9	Federal Program Cuts IV 10	Federal Program Cuts V 11	Tax Giveaways 12	Energy Independence 13	Civil Rights 14	Food Stamps 15	Cumulative Voting Record R	Cumulative Voting Record W	Cumulative Right Percentage %
MISSISSIPPI																				
1. Whitten (D)	R	W	R	R	W	R	4	2	W	R	R	R	R	R	R	W	W	85	195	30
2. Bowen (D)	R	W	W	R	W	W	2	4	W	W	R	R	R	W	R	W	R	54	107	34
3. Montgomery (D)	W	W	W	R	W	W	1	5	W	W	W	W	W	W	R	W	W	23	182	11
4. Dowdy (D)	W	W	R	R	*	R	3	2	*	*	*	R	R	W	R	R	R	8	3	73
5. Lott (R)	W	W	W	R	W	W	1	5	W	W	W	W	W	W	W	W	W	26	131	17
MISSOURI																				
1. Clay (D)	R	R	R	W	R	R	5	1	R	R	R	R	R	R	W	R	R	168	12	93
2. Young R. (D)	R	W	R	R	W	R	4	2	W	W	R	R	R	W	R	R	R	70	23	75
3. Gephardt (D)	R	W	R	W	W	R	3	3	W	R	R	R	R	R	R	R	R	70	26	73
4. Skelton (D)	R	W	R	R	W	R	4	2	W	W	R	R	R	W	R	R	R	57	34	63
5. Bolling (D)	R	R	W	W	A	A	2	2	R	R	R	A	R	R	R	R	R	234	16	94
6. Coleman (R)	W	W	R	R	W	W	2	4	W	W	W	A	W	W	R	W	W	13	82	14
7. Taylor (R)	W	W	R	R	W	W	2	4	W	W	W	W	W	W	R	W	W	20	141	12
8. Bailey (R)	W	W	R	A	W	W	1	4	W	W	W	W	W	W	W	R	W	2	12	14
9. Volkmer (D)	R	W	R	R	W	R	4	2	W	W	R	R	R	W	R	R	R	60	33	65
10. Emerson (R)	W	W	R	R	W	W	2	4	W	W	W	W	W	W	R	W	W	3	12	20
MONTANA																				
1. Williams P. (D)	R	R	R	R	R	R	6	0	R	R	R	R	R	R	W	R	R	42	11	79
2. Marlenee (R)	W	W	R	W	W	W	1	5	W	W	W	W	W	W	R	W	W	23	70	25
NEBRASKA																				
1. Bereuter (R)	W	W	W	W	W	W	0	6	W	W	W	W	W	W	W	W	W	11	43	20
2. Daub (R)	W	W	R	W	W	W	1	5	W	W	W	W	W	W	W	R	W	2	13	13
3. Smith V. (R)	W	W	W	R	W	W	1	5	W	W	W	W	W	W	W	W	W	15	126	11
NEVADA																				
AL Santini (D)	R	W	R	W	W	A	2	3	W	W	W	A	R	W	W	W	W	57	77	43
NEW HAMPSHIRE																				
1. D'Amours (D)	R	R	R	A	W	R	4	1	R	R	R	R	R	R	R	R	R	108	34	76
2. Gregg (R)	W	W	W	W	W	W	0	6	W	W	W	W	W	W	W	R	W	1	14	7
NEW JERSEY																				
1. Florio (D)	A	A	A	W	R	R	2	1	R	R	R	R	R	R	W	R	A	119	17	88
2. Hughes (D)	R	W	W	R	R	A	3	2	W	R	R	R	R	R	W	R	R	99	41	71
3. Howard (D)	R	R	R	R	R	R	6	0	R	R	R	R	A	R	W	R	R	194	14	93
4. Smith (R)	R	R	R	W	W	W	3	3	W	W	W	R	W	W	W	R	R	6	9	40
5. Fenwick (R)	R	R	W	W	R	W	3	3	W	W	W	W	W	W	W	R	W	62	79	44
6. Forsythe (R)	W	W	W	W	R	W	1	5	W	W	W	W	W	W	R	R	W	45	121	27
7. Roukema (R)	R	W	W	W	R	W	2	4	W	W	W	W	W	W	W	R	R	4	11	27
8. Roe (D)	R	R	R	R	A	R	5	0	R	R	R	R	R	R	R	R	R	165	19	90
9. Hollenbeck (R)	R	R	R	W	R	R	5	1	W	W	W	R	R	R	R	R	R	69	26	73
10. Rodino (D)	R	R	W	W	R	R	4	2	R	R	R	R	R	R	W	R	R	260	15	95
11. Minish (D)	R	R	R	W	W	R	4	2	R	R	R	R	R	R	W	R	R	212	20	91
12. Rinaldo (R)	R	R	R	W	W	W	3	3	W	W	W	R	W	W	R	R	R	125	36	78
13. Courter (R)	W	W	W	W	W	W	0	6	W	W	W	W	W	W	W	R	W	8	45	15
14. Guarini (D)	R	R	R	R	R	R	6	0	R	R	R	R	R	R	W	R	R	47	7	87
15. Dwyer (D)	R	R	R	R	W	R	5	1	R	R	R	R	R	R	R	R	R	14	1	93
NEW MEXICO																				
1. Lujan (R)	W	W	R	R	W	W	2	4	W	W	W	W	W	W	R	R	R	44	135	25
2. Skeen (R)	W	W	R	R	W	W	2	4	W	W	W	W	W	W	R	W	W	3	12	20
NEW YORK																				
1. Carney (R)	R	W	W	R	W	W	2	4	W	W	W	W	W	W	R	W	W	11	42	21
2. Downey (D)	R	R	W	A	A	R	3	1	R	R	R	R	R	R	W	R	R	119	17	88
3. Carman (R)	W	W	W	W	W	W	0	6	W	W	W	W	W	W	W	W	W	0	15	0
4. Lent (R)	W	W	W	W	W	W	0	6	W	W	W	W	W	W	R	R	W	49	130	27
5. McGrath (R)	W	W	W	W	W	W	0	6	W	W	W	W	W	W	W	R	W	1	14	7
6. Leboutillier (R)	W	W	W	W	A	W	0	5	W	W	W	W	W	W	R	R	W	2	12	14
7. Addabbo (D)	R	R	R	R	R	R	6	0	R	R	R	R	R	W	R	R	R	229	15	94
8. Rosenthal (D)	R	R	R	A	A	R	4	0	R	R	R	R	R	R	A	R	A	207	12	95
9. Ferraro (D)	R	R	R	W	R	R	5	1	R	R	R	R	R	R	W	R	R	46	6	88
10. Biaggi (D)	R	R	R	R	W	A	4	1	R	R	R	R	R	W	R	R	R	163	29	85
11. Scheuer (D)	R	R	R	R	R	R	6	0	R	R	R	R	R	R	W	R	R	179	17	91
12. Chisholm (D)	A	A	A	R	R	A	2	0	R	R	R	R	R	R	R	R	R	174	10	95
13. Solarz (D)	R	R	W	W	R	R	4	2	R	R	R	R	R	R	W	R	R	122	16	88
14. Richmond (D)	R	R	R	W	R	R	5	1	R	R	R	R	R	R	W	R	R	127	11	92
15. Zeferetti (D)	R	R	R	R	W	R	5	1	R	R	R	R	R	R	R	R	R	122	14	90
16. Schumer (D)	R	R	A	W	R	R	4	1	R	R	R	R	R	R	R	R	R	13	1	93
17. Molinari (R)	W	W	R	W	W	W	1	5	W	W	W	R	W	W	R	W	R	4	11	27
18. Green (R)	R	W	W	W	R	W	2	4	W	W	W	R	R	W	W	R	R	39	33	54
19. Rangel (D)	R	R	R	R	R	R	6	0	R	R	R	R	R	R	W	R	R	165	13	93
20. Weiss (D)	R	R	R	W	R	R	5	1	R	R	R	R	R	R	W	R	R	87	9	91
21. Garcia (D)	R	R	R	R	R	R	6	0	R	R	R	R	A	R	R	R	R	63	4	94
22. Bingham (D)	R	R	W	W	R	R	4	2	R	R	R	R	R	R	W	R	R	197	21	90
23. Peyser (D)	R	R	R	W	R	R	5	1	R	R	R	R	R	R	R	A	R	111	18	86
24. Ottinger (D)	R	R	R	W	A	R	4	1	R	R	R	R	R	R	W	R	R	156	21	88
25. Fish (R)	R	W	R	W	W	W	2	4	W	W	W	W	W	W	W	R	R	83	109	43
26. Gilman (R)	R	W	R	A	R	W	3	2	W	W	W	R	W	W	W	R	R	113	47	71
27. McHugh (D)	R	R	W	W	W	R	3	3	R	R	R	R	R	R	W	R	R	111	25	82
28. Stratton (D)	R	W	R	R	W	W	3	3	W	R	R	R	R	W	R	R	R	192	52	79
29. Solomon (R)	W	W	R	W	W	W	1	5	W	W	W	W	W	W	W	W	W	10	42	19
30. Martin (R)	W	W	R	W	W	W	1	5	W	W	W	W	W	W	R	W	W	2	13	13
31. Mitchell D. (R)	R	W	W	W	A	W	1	4	W	W	W	R	W	W	R	R	R	68	93	42
32. Wortley (R)	W	W	W	R	W	W	1	5	W	W	W	W	W	W	R	R	W	3	12	20
33. Lee (R)	W	W	R	R	W	W	2	4	W	W	W	W	W	W	R	W	W	12	39	24
34. Horton (R)	R	W	R	R	R	W	4	2	W	W	W	R	W	W	R	R	R	152	79	66
35. Conable (R)	W	W	W	W	A	W	0	5	W	W	W	W	W	W	W	W	W	35	183	16
36. LaFalce (D)	R	R	W	R	R	R	5	1	W	R	R	R	R	R	R	R	R	111	29	79
37. Nowak (D)	R	W	R	R	W	R	4	2	W	R	R	R	R	W	W	R	R	125	18	87
38. Kemp (R)	W	W	W	A	W	W	0	5	W	W	W	W	W	W	W	R	W	33	145	19
39. Lundine (D)	R	W	R	W	R	R	4	2	W	R	R	R	R	R	R	R	A	87	23	79
NORTH CAROLINA																				
1. Jones W. (D)	A	A	A	R	R	A	2	0	W	R	R	R	R	W	R	R	R	79	123	39
2. Fountain (D)	W	W	W	W	R	W	1	5	W	W	R	R	W	R	R	R	R	49	201	20
3. Whitley (D)	W	W	W	R	R	R	3	3	W	R	R	R	W	R	R	R	R	42	52	45
4. Andrews I. (D)	W	W	R	R	R	W	3	3	W	W	R	R	W	R	R	R	R	69	84	45
5. Neal (D)	R	W	W	W	R	R	3	3	W	R	R	R	R	R	R	R	R	64	74	46
6. Johnston (R)	A	W	W	W	W	W	0	5	W	W	W	W	W	W	W	W	W	0	14	0
7. Rose (D)	R	R	W	R	R	A	4	1	W	R	R	A	R	R	R	R	R	90	59	60
8. Hefner (D)	R	W	R	R	R	R	5	1	W	R	R	A	W	R	R	R	R	64	72	47
9. Martin (R)	W	W	W	W	R	W	1	5	W	W	W	W	W	W	A	W	W	13	146	8
10. Broyhill (R)	W	W	W	W	R	W	1	5	W	W	W	W	W	W	W	W	W	19	212	8
11. Hendon (R)	W	W	R	R	W	W	2	4	W	W	W	W	W	W	R	R	W	4	11	27
NORTH DAKOTA																				
AL Dorgan (D)	R	W	R	R	W	R	4	2	R	R	R	R	R	W	W	R	R	11	4	73
OHIO																				
1. Gradison (R)	W	W	W	W	W	W	0	6	W	W	W	W	W	W	W	R	A	25	113	18
2. Luken (D)	R	R	R	R	W	R	5	1	W	W	R	R	R	W	R	R	R	80	26	75
3. Hall T. (D)	R	R	R	W	R	A	4	1	W	W	R	R	A	W	W	R	R	40	12	77
4. Oxley (R)	W	W	*	R	*	W	1	3	*	*	*	W	W	W	R	W	W	2	8	20
5. Latta (R)	W	R	W	R	W	W	2	4	W	W	W	W	W	W	R	W	W	33	224	13
6. McEwen (R)	W	W	R	R	W	W	2	4	W	W	W	W	W	W	R	W	W	3	12	20
7. Brown C. (R)	A	A	R	R	A	W	2	1	W	W	W	W	W	W	R	R	W	38	160	19
8. Kindness (R)	W	W	R	R	W	W	2	4	W	W	W	W	W	W	R	W	W	17	122	12
9. Weber (R)	W	R	R	W	W	W	2	4	W	W	W	W	W	W	W	R	W	3	12	20
10. Miller C. (R)	W	W	R	R	W	W	2	4	W	W	W	W	W	W	R	W	W	26	187	12
11. Stanton (R)	W	W	W	W	W	W	0	6	W	W	W	W	W	W	R	R	W	67	154	30
12. Shamansky (D)	R	R	R	W	R	W	4	2	W	R	R	R	R	R	W	R	R	11	4	73
13. Pease (D)	R	R	R	W	A	R	4	1	R	R	R	R	R	R	R	R	R	77	19	80
14. Seiberling (D)	R	R	R	W	R	R	5	1	R	R	R	R	R	R	W	R	R	161	21	88
15. Wylie (R)	W	W	W	A	W	W	0	5	W	W	W	A	W	W	R	R	W	46	159	22
16. Regula (R)	W	W	R	R	W	W	2	4	W	W	W	W	W	W	R	R	W	49	117	30
17. Ashbrook (R)	W	W	R	R	W	W	2	4	W	W	W	W	W	W	R	A	W	26	214	11
18. Applegate (D)	R	R	R	W	W	W	3	3	W	R	R	R	R	W	R	W	R	67	30	69
19. Williams L. (R)	R	W	R	R	W	A	3	2	W	W	W	W	W	W	R	R	R	28	25	53
20. Oakar (D)	R	R	R	R	W	R	5	1	R	R	R	R	R	R	R	A	R	86	9	91
21. Stokes (D)	R	R	R	R	R	R	6	0	R	R	R	R	R	R	W	R	R	168	11	94
22. Eckart (D)	R	W	R	W	R	R	4	2	R	R	R	R	R	R	R	R	R	13	2	87
23. Mottl (D)	W	R	R	W	W	W	2	4	W	W	W	W	W	R	R	W	W	90	48	65
OKLAHOMA																				
1. Jones J. (D)	R	W	W	R	W	A	2	3	W	R	R	R	R	W	R	R	W	67	90	43
2. Synar (D)	R	R	R	W	R	R	5	1	W	R	R	R	R	W	W	R	R	30	23	57
3. Watkins (D)	R	W	R	R	W	R	4	2	W	R	R	R	W	W	R	R	R	29	74	28
4. McCurdy (D)	R	W	R	R	W	W	3	3	W	R	R	R	W	W	R	R	R	9	6	60
5. Edwards M. (R)	W	W	W	R	W	W	1	5	W	W	W	W	W	W	W	W	W	8	87	8
6. English (D)	R	W	R	R	W	W	3	3	W	W	R	W	W	W	R	R	R	37	104	26
OREGON																				
1. AuCoin (D)	R	R	W	R	R	A	4	1	W	R	R	R	R	W	R	R	R	89	47	65
2. Smith (R)	W	W	W	W	W	W	0	6	W	W	W	W	W	W	W	W	W	0	15	0
3. Wyden (D)	R	R	R	W	R	R	5	1	R	R	R	R	R	R	W	R	R	13	2	87
4. Weaver (D)	R	R	R	W	R	R	5	1	R	R	R	R	R	R	W	R	R	115	20	85
PENNSYLVANIA																				
1. Foglietta (D)	R	W	R	W	R	R	4	2	R	R	R	R	R	R	R	R	R	13	2	87
2. Gray (D)	R	R	R	R	R	R	6	0	R	R	R	R	R	R	W	R	R	51	2	96
3. Smith (D)	R	R	*	*	*	R	3	0	*	*	*	R	R	R	*	R	R	8	0	100
4. Dougherty (R)	R	R	R	W	W	W	3	3	W	W	W	R	R	W	R	R	R	29	22	57
5. Schulze (R)	W	W	W	W	W	W	0	6	W	W	W	W	W	W	R	R	W	24	115	17
6. Yatron (D)	R	R	R	W	W	R	4	2	R	W	R	R	R	W	R	R	R	153	39	80
7. Edgar (D)	R	R	R	W	A	R	4	1	R	R	R	R	R	R	W	R	R	118	18	87
8. Coyne, J. (R)	W	W	R	W	R	W	2	4	W	W	W	W	W	W	R	R	W	4	11	27
9. Shuster (R)	W	W	R	R	W	W	2	4	W	W	W	W	W	W	R	W	W	23	139	14
10. McDade (R)	R	R	R	R	W	W	4	2	W	W	W	W	W	W	R	R	R	151	79	66
11. Nelligan (R)	R	W	R	W	A	W	2	3	W	W	W	R	W	W	R	R	R	6	8	43
12. Murtha (D)	R	R	W	R	W	R	4	2	W	R	R	R	R	R	R	R	R	123	25	83
13. Coughlin (R)	W	W	R	W	R	W	2	4	W	W	W	W	W	W	R	R	R	63	132	32
14. Coyne, W. (D)	R	R	R	W	W	R	4	2	R	R	R	R	R	R	R	R	R	13	2	87
15. Ritter (R)	W	W	R	A	W	W	1	4	W	W	W	W	W	W	R	R	W	14	39	26
16. Walker (R)	W	R	R	W	W	W	2	4	W	W	W	W	W	W	R	R	W	19	77	20
17. Ertel (D)	R	W	R	R	R	R	5	1	W	R	R	R	R	R	R	R	A	66	26	72
18. Walgren (D)	R	R	R	W	R	R	5	1	W	R	R	R	W	W	R	R	W	76	19	80
19. Goodling (R)	R	W	R	W	W	W	2	4	W	W	W	W	W	W	R	W	W	33	103	24
20. Gaydos (D)	R	R	R	A	W	R	4	1	R	R	R	R	R	W	A	R	R	165	18	90
21. Bailey (D)	R	R	R	R	W	R	5	1	R	R	R	R	R	W	R	R	R	45	9	83
22. Murphy A. (D)	R	R	R	A	W	R	4	1	R	R	R	R	R	W	R	R	A	71	23	76
23. Clinger (R)	R	W	W	W	R	W	2	4	W	W	W	W	W	W	R	W	W	19	32	37
24. Marks (R)	R	R	R	W	W	R	4	2	W	W	W	W	W	W	R	R	R	54	43	56
25. Atkinson (R)	W	R	R	W	W	W	2	4	W	W	W	W	W	W	R	R	W	28	26	52
RHODE ISLAND																				
1. St Germain (D)	R	R	R	R	A	R	5	0	W	R	R	R	R	W	W	R	R	211	24	90
2. Schneider (R)	R	R	R	W	R	W	4	2	W	W	W	R	W	W	W	R	R	7	8	47
SOUTH CAROLINA																				
1. Hartnett (R)	W	W	R	W	A	W	1	4	W	W	W	W	W	W	W	W	W	1	13	7
2. Spence (R)	W	W	W	R	W	W	1	5	W	W	W	W	W	W	R	W	W	29	156	16
3. Derrick (D)	R	W	R	W	R	R	4	2	W	W	R	W	R	W	W	R	R	76	59	56
4. Campbell (R)	W	W	W	R	W	W	1	5	W	W	W	W	W	W	R	W	A	5	46	10
5. Holland (D)	R	R	W	R	R	R	5	1	W	W	R	A	W	W	R	R	R	67	53	56
6. Napier (R)	A	W	W	R	W	W	1	4	W	W	W	W	W	W	R	W	R	3	11	21
SOUTH DAKOTA																				
1. Daschle (D)	R	W	R	R	R	R	5	1	W	R	R	A	R	W	W	R	R	42	11	79
2. Roberts (R)	A	W	R	A	W	W	1	3	W	W	W	W	W	W	W	W	W	1	12	8
TENNESSEE																				
1. Quillen (R)	W	W	R	R	A	W	2	3	W	W	W	W	W	W	R	W	W	32	191	14
2. Duncan J. (R)	W	W	R	R	W	A	2	3	W	W	W	W	W	W	R	R	W	39	186	17
3. Bouquard (D)	R	W	R	R	W	R	4	2	W	W	R	R	R	W	R	R	R	79	62	56
4. Gore (D)	R	R	R	R	W	R	5	1	R	R	R	A	R	R	R	R	R	76	20	79
5. Boner (D)	R	R	R	R	W	R	5	1	W	R	R	R	A	W	R	R	R	43	10	81
6. Beard R. (R)	A	W	R	R	A	W	2	2	W	W	W	W	W	W	R	A	A	20	128	14
7. Jones E. (D)	R	R	R	R	W	R	5	1	W	W	R	R	R	W	R	R	R	112	76	60
8. Ford H. (D)	R	R	R	R	R	R	6	0	R	R	R	R	R	R	R	R	R	127	13	91
TEXAS																				
1. Hall S. (D)	W	W	R	R	W	R	3	3	W	W	W	W	R	W	R	W	A	24	76	24
2. Wilson C. (D)	R	R	W	R	R	W	4	2	W	W	W	W	R	W	R	R	A	97	57	63
3. Collins J. (R)	W	W	W	W	W	W	0	6	W	W	W	W	W	W	W	W	W	14	185	7
4. Hall, R. (D)	W	W	R	R	W	W	2	4	W	W	W	W	W	W	R	W	R	4	11	27
5. Mattox (D)	R	R	R	W	A	A	3	1	W	R	R	A	R	W	W	R	R	56	36	61
6. Gramm (D)	W	W	W	R	W	W	1	5	W	W	W	W	W	W	R	W	W	8	46	15
7. Archer (R)	W	W	W	W	W	W	0	6	W	W	W	W	W	W	W	W	W	11	176	6
8. Fields (R)	W	W	W	R	W	W	1	5	W	W	W	W	W	W	W	W	W	1	14	7
9. Brooks (D)	R	W	W	R	R	R	4	2	W	R	R	A	A	W	R	A	A	193	73	73
10. Pickle (D)	W	W	W	R	R	R	3	3	W	R	R	R	W	W	R	R	R	114	109	51
11. Leath (D)	W	W	W	R	W	W	1	5	W	W	W	A	W	W	R	W	R	11	39	22
12. Wright (D)	R	W	W	R	W	R	3	3	W	R	R	R	R	W	R	R	R	186	66	74
13. Hightower (D)	R	W	R	R	W	W	3	3	W	W	W	W	W	W	R	R	R	46	94	33
14. Patman (D)	R	W	W	R	A	W	2	3	W	R	R	R	R	W	R	W	R	8	6	57
15. de la Garza (D)	R	W	R	R	W	R	4	2	W	R	R	R	R	R	R	R	R	113	97	54
16. White (D)	R	W	W	R	W	W	2	4	W	W	W	W	W	W	R	R	R	84	140	38
17. Stenholm (D)	W	W	W	R	W	W	1	5	W	W	W	W	W	W	R	W	R	9	44	17
18. Leland (D)	R	R	R	W	R	R	5	1	R	R	R	R	R	R	R	R	R	48	4	92
19. Hance (D)	W	W	W	R	R	R	3	3	W	W	W	A	W	W	R	R	R	15	38	28
20. Gonzalez (D)	R	R	W	R	R	R	5	1	R	R	R	R	R	R	R	R	R	214	22	91
21. Loeffler (R)	W	W	W	R	W	W	1	5	W	W	W	W	W	W	R	W	W	6	48	11
22. Paul (R)	W	W	R	W	W	A	1	4	W	W	W	W	W	W	W	W	W	5	65	7
23. Kazen (D)	R	W	W	R	W	R	3	3	W	R	R	R	R	W	R	R	R	111	104	52
24. Frost (D)	R	R	W	A	R	R	4	1	W	R	R	R	R	W	R	R	A	34	18	65
UTAH																				
1. Hansen (R)	W	W	W	R	A	W	1	4	W	W	W	W	W	W	A	W	W	1	12	8
2. Marriott (R)	A	A	R	R	W	W	2	2	W	W	W	W	W	W	R	R	W	14	74	16
VERMONT																				
AL Jeffords (R)	R	W	W	W	R	W	2	4	R	W	W	R	W	R	W	W	R	63	75	46
VIRGINIA																				
1. Trible (R)	W	W	W	R	W	W	1	5	W	W	W	W	W	W	R	W	W	13	83	15
2. Whitehurst (R)	W	W	W	W	W	W	0	6	W	W	W	W	W	W	W	W	W	29	162	15
3. Bliley (R)	W	W	W	R	W	W	1	5	W	W	W	W	W	W	R	W	W	2	13	13
4. Daniel R. W. (R)	W	W	W	W	W	W	0	6	W	W	W	W	W	W	W	W	W	16	146	10
5. Daniel D. (D)	W	W	W	R	W	W	1	5	W	W	W	W	W	W	R	W	W	19	179	10
6. Butler (R)	W	W	W	W	R	W	1	5	W	W	W	W	W	W	R	W	W	17	173	9
7. Robinson (R)	W	W	W	R	W	W	1	5	W	W	W	W	W	W	R	W	W	18	169	10
8. Parris (R)	A	R	R	R	W	W	3	2	W	W	W	W	W	W	W	W	R	4	10	29
9. Wampler (R)	R	R	W	R	W	A	3	2	W	W	W	A	W	W	R	W	R	42	173	20
10. Wolf (R)	W	W	W	W	W	W	0	6	W	W	W	W	W	W	W	W	W	0	15	0
WASHINGTON																				
1. Pritchard (R)	R	W	W	W	R	W	2	4	W	W	W	R	W	W	W	A	W	63	96	40
2. Swift (D)	R	W	R	W	R	R	4	2	W	R	R	R	R	R	R	R	R	40	14	74
3. Bonker (D)	R	R	W	A	R	R	4	1	W	R	R	R	R	R	A	A	R	109	23	83
4. Morrison (R)	W	W	W	R	W	W	1	5	W	W	W	W	W	W	W	W	W	1	14	7
5. Foley (D)	R	W	W	R	R	R	4	2	W	R	R	R	R	W	R	R	R	177	42	81
6. Dicks (D)	R	R	W	R	R	R	5	1	W	R	R	R	R	W	R	R	R	77	16	83
7. Lowry (D)	R	R	W	W	R	R	4	2	R	R	R	R	R	R	W	R	R	42	12	78
WEST VIRGINIA																				
1. Mollohan (D)	R	R	W	R	R	A	4	1	R	R	R	R	R	W	R	R	R	166	31	84
2. Benedict (R)	W	W	W	R	W	W	1	5	W	W	W	W	W	W	R	W	W	2	13	13
3. Staton (R)	W	R	R	R	W	W	3	3	W	W	W	W	W	W	R	W	W	4	11	27
4. Rahall (D)	R	R	R	R	A	R	5	0	R	R	R	R	R	W	R	R	R	77	17	82
WISCONSIN																				
1. Aspin (D)	R	R	R	W	W	A	3	2	R	R	R	R	R	R	R	R	R	146	33	82
2. Kastenmeier (D)	R	R	R	W	R	W	4	2	R	R	R	R	R	R	W	R	R	225	29	89
3. Gunderson (R)	W	W	R	W	W	W	1	5	W	W	W	W	W	W	W	R	R	3	12	20
4. Zablocki (D)	R	W	W	R	W	R	3	3	R	R	R	R	R	R	R	R	R	262	24	92
5. Reuss (D)	R	R	W	W	R	A	3	2	R	R	R	R	R	R	W	R	R	249	22	92
6. Petri (R)	W	W	W	W	W	W	0	6	W	W	W	W	W	W	W	R	W	16	36	31
7. Obey (D)	R	R	R	W	R	R	5	1	R	R	R	R	R	R	W	R	R*	162	31	84
8. Roth (R)	W	W	W	W	W	A	0	5	W	W	W	W	W	W	W	A	W	6	45	12
9. Sensenbrenner (R)	W	W	R	W	W	W	1	5	W	W	W	W	W	W	W	R	W	6	48	11
WYOMING																				
AL Cheney (R)	W	W	W	R	W	W	1	5	W	W	W	W	W	W	W	W	W	5	49	9

How Your Senators Voted

	1 Prevailing Wage	2 Unemployment Benefits I	3 Unemployment Benefits II	4 Unemployment Benefits III	5 Job Safety	6 Retirement Benefits	7 Railroad Retirement	8 Maritime Jobs	Total Labor Votes R	Total Labor Votes W	9 Federal Programs I	10 Federal Programs II	11 Tax Cuts for the Rich	12 Tax Cuts for Oil Industry	13 Social Security I	14 Social Security II	15 Social Security III	16 Energy Costs	17 Public Works	18 Civil Rights	19 Food Stamps	Cumulative Voting Record R	Cumulative Voting Record W	Cumulative Right Percentage %
ALABAMA																								
Heflin (D)	R	R	R	W	R	R	R	R	7	1	W	W	W	W	R	W	R	W	R	R	W	31	22	58
Denton (R)	W	W	W	W	W	W	W	R	1	7	W	W	W	W	W	W	W	W	R	W	W	2	17	11
ALASKA																								
Murkowski (R)	R	W	W	W	W	W	W	R	2	6	W	W	W	A	W	A	W	W	R	W	R	4	13	24
Stevens (R)	A	W	W	W	W	W	R	R	2	5	W	W	W	W	W	W	W	W	R	W	W	87	86	50
ARIZONA																								
DeConcini (D)	R	R	W	W	R	R	R	R	6	2	W	W	W	W	R	W	R	W	R	W	A	51	40	56
Goldwater (R)	A	W	W	A	A	W	A	R	1	3	W	W	W	A	W	W	W	W	A	W	W	19	183	9
ARKANSAS																								
Bumpers (D)	R	R	W	R	R	R	R	W	6	2	R	W	R	R	R	R	R	R	R	R	R	78	52	60
Pryor (D)	W	R	W	R	R	R	R	W	5	3	W	W	A	A	R	W	R	W	R	W	W	27	28	49
CALIFORNIA																								
Cranston (D)	R	R	R	R	R	R	R	R	8	0	R	R	R	A	R	R	R	A	R	R	A	164	16	91
Hayakawa (R)	W	W	W	W	W	W	W	W	0	8	W	W	A	W	W	W	W	W	R	W	W	13	78	14
COLORADO																								
Hart (D)	R	R	W	R	R	R	R	R	7	1	R	R	R	A	R	W	R	A	W	R	R	102	31	77
Armstrong (R)	W	W	W	W	W	W	W	W	0	8	W	W	W	W	W	W	W	W	W	W	A	1	53	2
CONNECTICUT																								
Dodd (D)	R	R	R	R	R	R	R	R	8	0	R	R	R	R	R	R	R	R	R	R	A	18	0	100
Weicker (R)	R	R	W	W	W	W	R	R	4	4	R	W	A	R	R	R	R	W	A	R	R	104	55	65
DELAWARE																								
Biden (D)	R	R	R	R	R	R	R	R	8	0	R	R	R	R	R	R	R	R	W	W	W	111	33	77
Roth (R)	W	W	R	W	W	W	R	W	2	6	W	W	W	R	R	R	W	R	W	W	W	34	143	19
FLORIDA																								
Chiles (D)	R	W	W	W	R	R	R	R	5	3	W	W	A	A	R	W	R	W	W	W	W	78	97	45
Hawkins (R)	W	W	W	W	W	R	R	R	3	5	W	W	W	W	A	W	R	R	W	W	W	5	13	28
GEORGIA																								
Nunn (D)	W	W	W	W	R	W	R	R	3	5	W	W	W	R	R	W	W	W	R	W	W	55	103	35
Mattingly (R)	W	W	W	W	W	W	W	R	1	7	W	W	W	W	W	W	W	W	R	W	W	2	17	11
HAWAII																								
Inouye (D)	R	R	R	R	R	R	R	R	8	0	R	W	R	W	R	A	R	R	R	R	R	167	25	87
Matsunaga (D)	R	R	W	R	A	R	R	R	6	1	R	W	R	R	R	W	R	R	R	R	R	78	14	85
IDAHO																								
Symms (R)	W	W	W	W	W	W	W	W	0	8	W	W	A	A	W	A	W	W	R	W	W	1	15	6
McClure (R)	R	W	W	W	W	W	W	W	1	7	W	W	W	A	W	A	W	W	R	W	W	16	133	11
ILLINOIS																								
Dixon (D)	R	R	R	W	R	R	R	R	7	1	R	W	W	A	R	W	R	W	W	R	W	11	7	61
Percy (R)	R	W	W	W	W	W	W	W	1	7	R	W	A	W	W	W	W	W	W	R	W	100	77	56
INDIANA																								
Quayle (R)	W	W	W	W	W	W	W	W	0	8	W	W	W	W	W	W	W	W	W	W	W	0	19	0
Lugar (R)	W	W	W	W	W	W	W	W	0	8	W	W	W	W	W	W	W	W	W	W	W	6	89	6
IOWA																								
Grassley (R)	W	W	W	W	W	W	R	W	1	7	W	W	A	W	W	W	W	W	W	W	W	1	17	6
Jepsen (R)	W	W	W	W	W	W	R	W	1	7	W	W	W	W	W	W	W	W	W	W	W	4	51	7
KANSAS																								
Dole (R)	W	W	W	W	W	W	W	W	0	8	W	W	W	W	W	W	W	W	R	W	R	32	147	18
Kassebaum (R)	W	W	W	W	W	W	R	W	1	7	W	W	W	W	W	W	W	W	W	W	W	9	44	17
KENTUCKY																								
Ford (D)	R	R	R	W	R	R	R	R	7	1	R	W	W	W	R	W	R	W	R	W	R	92	40	70
Huddleston (D)	R	R	W	R	R	W	R	R	6	2	R	W	R	W	R	W	R	R	R	W	R	104	43	71
LOUISIANA																								
Johnston (D)	R	W	W	W	W	W	R	R	3	5	W	W	W	A	R	W	R	W	R	W	A	55	87	39
Long (D)	R	W	W	W	W	R	R	R	4	4	W	W	W	W	R	W	R	W	R	W	W	122	125	49
MAINE																								
Mitchell (D)	R	R	R	R	R	R	R	R	8	0	R	W	R	R	R	R	R	R	R	R	R	25	3	89
Cohen (R)	W	W	W	W	W	W	W	R	1	7	R	A	W	R	W	R	W	W	W	R	R	17	37	31
MARYLAND																								
Sarbanes (D)	R	R	R	R	R	R	R	R	8	0	R	R	R	R	R	R	R	R	W	R	R	89	3	97
Mathias (R)	R	R	R	A	A	A	R	R	5	0	R	W	W	R	A	R	W	W	W	R	R	138	42	77
MASSACHUSETTS																								
Kennedy (D)	R	R	R	R	A	R	R	R	7	0	R	R	R	R	R	R	R	A	W	R	R	183	16	92
Tsongas (D)	R	R	W	R	R	R	R	R	7	1	R	R	A	R	R	R	R	W	W	R	R	48	6	89
MICHIGAN																								
Levin (D)	R	R	R	R	R	R	R	R	8	0	R	R	R	R	R	R	R	R	R	R	R	55	2	96
Riegle (D)	R	R	R	R	R	R	R	R	8	0	R	R	W	R	R	R	R	R	W	R	A	85	6	93
MINNESOTA																								
Boschwitz (R)	W	W	W	W	W	W	W	W	0	8	W	W	W	W	W	W	W	W	W	R	W	7	50	12
Durenberger (R)	R	W	W	W	W	W	R	W	2	6	R	W	W	W	W	W	W	W	W	R	R	23	32	42
MISSISSIPPI																								
Stennis (D)	W	W	W	W	R	W	R	R	3	5	W	W	A	W	R	W	W	W	R	W	W	62	198	24
Cochran (R)	W	W	W	W	W	W	W	R	1	7	W	W	W	W	W	W	W	W	R	W	R	9	46	16
MISSOURI																								
Eagleton (D)	R	R	R	R	R	R	R	A	7	0	R	R	R	R	R	R	R	R	W	R	R	154	24	87
Danforth (R)	R	W	W	W	W	W	W	W	1	7	R	W	W	A	W	W	W	W	W	W	R	30	64	32
MONTANA																								
Baucus (D)	R	R	W	R	R	R	R	R	7	1	W	W	R	A	R	W	R	W	W	R	R	43	11	80
Melcher (D)	R	R	R	R	R	R	R	R	8	0	R	W	W	W	R	W	R	W	R	W	R	73	20	78
NEBRASKA																								
Exon (D)	R	W	W	W	R	W	R	W	3	5	W	W	W	A	R	W	R	W	R	W	W	19	34	36
Zorinsky (D)	W	W	W	W	W	R	R	R	3	5	W	W	W	W	R	W	R	W	W	W	W	29	67	30
NEVADA																								
Cannon (D)	A	R	W	R	A	A	R	R	4	1	R	A	R	W	R	R	A	R	A	W	W	144	83	63
Laxalt (R)	W	W	W	W	W	W	W	R	1	7	W	W	W	A	W	W	A	W	A	W	W	15	108	12
NEW HAMPSHIRE																								
Rudman (R)	W	W	W	W	W	W	W	R	1	7	W	W	W	R	W	R	W	W	W	R	W	4	15	21
Humphrey (R)	W	W	W	W	W	W	W	W	0	8	W	W	W	W	W	W	W	W	W	R	W	4	52	7
NEW JERSEY																								
Bradley (D)	R	R	R	R	R	R	A	A	6	0	R	R	R	W	R	R	R	W	W	R	R	50	4	93
Williams (D)	R	A	A	R	R	R	R	R	6	0	A	R	R	W	R	R	R	R	W	R	R	226	18	93
NEW MEXICO																								
Domenici (R)	R	W	W	W	W	W	R	W	2	6	W	W	A	W	W	W	W	W	W	W	W	37	113	25
Schmitt (R)	W	W	W	W	W	W	W	R	1	7	W	W	A	W	W	W	W	W	R	W	W	15	74	17
NEW YORK																								
Moynihan (D)	R	R	R	R	R	R	A	R	7	0	R	R	A	R	R	R	R	R	W	R	R	86	6	93
D'Amato (R)	R	W	W	W	W	W	R	R	3	5	W	W	W	W	W	W	W	A	R	W	W	4	14	22
NORTH CAROLINA																								
East (R)	W	W	W	W	W	W	W	R	1	7	W	W	W	W	W	W	W	W	R	W	W	2	17	11
Helms (R)	W	W	W	W	W	W	W	R	1	7	W	W	W	W	W	W	W	W	W	W	W	15	141	10
NORTH DAKOTA																								
Burdick (D)	R	R	R	R	R	R	R	R	8	0	R	W	W	W	R	W	R	W	R	R	R	197	38	84
Andrews (R)	R	W	W	W	W	W	R	R	3	5	R	W	A	A	W	W	W	W	R	W	R	6	11	35
OHIO																								
Glenn (D)	R	R	R	W	R	R	R	R	7	1	R	W	R	W	R	W	R	W	R	R	W	100	32	76
Metzenbaum (D)	R	R	R	R	A	R	R	R	7	0	R	A	R	A	R	R	R	R	W	R	R	93	9	91
OKLAHOMA																								
Boren (D)	W	W	W	W	R	W	R	R	3	5	W	W	W	W	R	W	R	W	R	W	W	18	39	32
Nickles (R)	W	W	W	W	W	W	W	W	0	8	W	W	W	W	W	W	W	W	R	W	W	1	18	5
OREGON																								
Hatfield (R)	W	W	W	W	W	W	W	R	1	7	W	W	A	W	W	W	W	W	R	R	R	101	88	53
Packwood (R)	R	W	W	W	W	W	W	R	2	6	W	W	W	W	W	W	W	W	R	R	W	80	100	44
PENNSYLVANIA																								
Heinz (R)	R	R	R	A	R	R	R	R	7	0	R	W	W	R	W	W	W	W	W	R	R	60	31	66
Specter (R)	R	W	R	W	R	R	R	R	6	2	R	W	W	W	W	R	R	W	W	R	R	11	8	58
RHODE ISLAND																								
Pell (D)	R	R	R	R	R	R	R	R	8	0	R	R	R	R	R	R	R	R	W	R	R	209	18	92
Chafee (R)	R	R	W	W	W	R	R	R	5	3	R	W	W	W	W	W	W	R	W	R	R	51	41	55
SOUTH CAROLINA																								
Hollings (D)	R	W	W	R	R	W	R	R	5	3	W	W	W	R	R	R	W	R	R	W	R	95	100	49
Thurmond (R)	W	W	W	W	W	W	W	W	0	8	W	W	W	W	W	W	W	W	R	W	W	30	234	11
SOUTH DAKOTA																								
Abdnor (R)	W	W	W	W	W	W	W	W	0	8	W	W	W	W	W	W	W	W	R	W	W	1	18	5
Pressler (R)	W	W	W	W	W	R	R	R	3	5	W	W	W	A	A	R	R	W	W	R	R	18	30	38
TENNESSEE																								
Sasser (D)	R	R	R	A	R	R	R	R	7	0	W	W	W	W	R	W	R	A	R	W	W	62	28	69
Baker (R)	R	W	W	W	W	W	W	W	1	7	W	W	W	W	W	W	W	R	R	W	W	44	134	25
TEXAS																								
Bentsen (D)	W	W	W	W	W	R	R	R	3	5	W	W	W	A	R	W	R	W	R	W	R	80	93	46
Tower (R)	W	A	A	A	W	W	W	R	1	4	W	W	W	W	W	W	W	W	R	W	W	20	196	9
UTAH																								
Garn (R)	W	W	W	W	W	W	R	R	2	6	W	W	A	W	W	W	W	W	W	W	W	15	119	11
Hatch (R)	W	W	W	W	W	W	R	W	1	7	W	W	W	W	W	W	W	W	R	W	W	9	83	10
VERMONT																								
Leahy (D)	R	R	R	R	R	R	A	W	6	1	R	R	R	R	R	R	R	R	W	R	R	109	26	81
Stafford (R)	R	W	W	W	W	W	W	R	2	6	R	W	W	A	W	W	W	W	W	A	R	107	59	64
VIRGINIA																								
Byrd H. (I)	W	W	W	W	W	R	W	R	2	6	W	W	W	W	W	R	W	W	W	W	W	28	183	13
Warner (R)	W	W	W	W	W	W	W	R	1	7	W	W	W	W	W	W	W	W	W	W	W	7	50	12
WASHINGTON																								
Jackson (D)	R	R	R	R	R	R	R	R	8	0	R	W	R	W	R	R	R	R	R	R	R	251	16	94
Gorton (R)	W	W	W	W	W	W	W	R	1	7	W	W	W	W	W	A	W	W	W	W	W	1	17	6
WEST VIRGINIA																								
Byrd R. (D)	R	R	R	R	R	R	A	R	7	0	R	W	R	R	R	R	R	R	R	W	R	171	89	66
Randolph (D)	R	R	R	R	R	R	R	R	8	0	R	R	R	W	R	W	R	A	R	W	R	188	56	77
WISCONSIN																								
Kasten (R)	W	W	W	W	W	W	R	R	2	6	W	W	W	W	W	W	W	W	R	W	W	3	16	16
Proxmire (D)	R	W	W	W	W	R	R	W	3	5	W	W	W	W	R	R	W	R	W	W	W	186	74	72
WYOMING																								
Simpson (R)	W	W	W	W	W	W	W	W	0	8	W	W	W	W	W	W	W	W	W	W	W	1	55	2
Wallop (R)	W	W	W	W	W	W	W	R	1	7	W	W	W	W	W	W	W	W	W	W	W	10	84	11

Key to Symbols

R Voted Right or was paired Right.

W Voted Wrong or was paired Wrong.

A Absent and not paired.

* Not in Congress at time.

Votes by senators while members of the House are not included in this record.

Labor's Stand on Major Issues in the Senate

1. Attack on Federal Fair-Wage Laws

Conservatives continued to press their attack on the nation's basic labor laws in 1981 as once again the Davis-Bacon Act was targeted for destruction. This 50-year-old landmark law requires the payment of prevailing wages to workers on federally financed construction projects. It assures local contractors who uphold community labor standards a fair chance to compete for government projects without being undercut by outside firms using cut-rate labor. The law also helps stabilize a notoriously unstable industry by requiring payment of wage rates that allow for the recruitment, training and maintenance of a skilled construction labor force within the local area. This, in turn, helps protect the federal government against fly-by-night operators seeking to win government contracts by paying wages too low to attract competent craftsmen.

Stymied in their efforts to gain outright repeal of the Davis-Bacon law, anti-union lobbies and their congressional allies tried to eliminate the law piecemeal by removing its coverage from various federal construction programs. The most serious battle came on a military construction funding bill from which Davis-Bacon protections had been removed by the conservative-dominated Senate Armed Services Committee. However, heavy lobbying by organized labor, backed by grassroots local union pressure, turned the tables on the Senate floor, as a labor-backed amendment by Sen. Henry Jackson (D-Wash.) to delete this exemption and restore Davis-Bacon protections to the bill was approved 55-42 on Nov. 5.

For—Right. Against—Wrong.

2. Slashing Unemployment Benefits I

The centerpiece of Reaganomics was a massive and unprecedented reduction in federal spending. The cuts weakened or destroyed programs created over five decades to protect workers on the job, provide educational and employment opportunities, build a strong economy and advance the cause of social and economic justice. These program cuts enabled the Administration to finance the largest tax giveaway in history, transferring billions of dollars from "people" programs to the bank accounts of the rich and big business.

Major victims of the assault on the federal budget were programs that aid jobless workers, which were cut back even as Administration economic policies were putting some two million more Americans out of work. One such cut was a $3.1 billion reduction in unemployment insurance benefits coupled with a requirement (later dropped) to force jobless workers to take minimum-wage jobs after drawing their first 13 weeks of unemployment benefits. During debate on the First Budget Resolution, which sets yearly federal spending targets, Sen. Donald Riegle (D-Mich.) tried to restore $285 million of the slashed jobless benefits. The AFL-CIO-endorsed amendment was denounced by Senate conservatives and rejected by a 38-60 vote on Apr. 2. As a result, 600,000 long-term jobless Americans will lose their unemployment benefits.

For—Right. Against—Wrong.

3. Slashing Unemployment Benefits II

Another key unemployment assistance program targeted for extinction by the Reagan Administration was the Trade Adjustment Assistance program. Created in 1962, this program provided jobless benefits, retraining and relocation assistance to workers who suffer from U.S. foreign trade policies that increase imports and cost Americans their jobs. Unions were told in 1962 that increased imports would help all America and that only a modest number of Americans would ever need this assistance. In fact, imports became so heavy and job losses so great that available funds were soon exhausted and billions more were needed.

The Reagan Administration's budget reconciliation bill, which imposed the funding cuts of the First Budget Resolution, slashed adjustment assistance funds from $1.5 billion in fiscal year 1981 to $317 million in 1982, betraying the pledge in the law to displaced workers. Sen. Thomas Eagleton (D-Mo.) proposed an amendment to restore $400 million, still leaving the program at less than half its former size. Yet even this modest, AFL-CIO-backed amendment was rejected 29-69 on Apr. 2.

For—Right. Against—Wrong.

4. Delaying Unemployment Benefits

By year's end, Reaganomics had pushed unemployment near 9 percent with more than 10.5 million Americans out of work. Besides slashing some $3.1 billion in unemployment benefits, conservative lawmakers in the Senate meataxed the funds used to administer the unemployment insurance program and pay its benefits to jobless workers.

During Senate consideration of a stopgap funding bill, Sen. Edward Kennedy (D-Mass.) proposed an amendment to restore $120 million, which had been cut from state funds for administration of the jobless aid program. He cited an internal Labor Dept. study indicating that failure to appropriate these funds during a time of rising unemployment would not only add to the backlog of claims and cause long delays in the payment of benefits, but also result in unnecessary overpayments of $1 billion annually. Yet Senate conservatives rejected this modest, cost-effective amendment by a 30-65 vote on Dec. 10.

For—Right. Against—Wrong.

5. Weakening Federal Job Safety Laws

The callousness of Senate conservatives was starkly evident in a vote on mine safety. Less than ten days after mine accidents in Kentucky, Tennessee and West Virginia had killed 27 miners, the Senate slashed $6 million in federal funds for enforcement of mine safety laws. During debate on a continuing appropriations bill, Sen. Robert Byrd (D-W.V.) tried to restore these funds to the budget of the Mine Safety & Health Administration. But in a clear message to mine operators that unsafe working conditions are of little concern to Congress, anti-worker conservatives helped defeat the Byrd amendment 38-54 on Dec. 11.

For—Right. Against—Wrong.

6. Protecting Federal Pensions

The nation's elderly are among those most seriously hurt by inflation, which eats into the real value of their fixed pensions and forces more and more of them below the official poverty level.

Yet, even the meager incomes of older Americans felt the sharp blade of Reagan Administration budget-cutting. The Senate Budget Committee version of the first budget bill delayed for three months the standard cost-of-living increases in social security and veterans' benefits as well as pensions for federal employees, railroad workers and military retirees. Even worse, the bill incorporated a regressive change in the formula for calculating cost-of-living increases by replacing the Consumer Price Index with a Labor Dept. wage indicator as the basis for adjusting retiree benefits for inflation. Because wages tend to lag behind inflation, this provision will result in senior citizens falling farther behind in their struggle against the rising cost of living. During floor debate on the bill, Sen. Donald Riegle (D-Mich.) proposed an amendment to retain the existing system of calculating cost-of-living adjustments. Senate conservatives raised a storm of protest and defeated the Riegle amendment 44-54 on May 12.

For—Right. Against—Wrong.

7. Cutting Railroad Retirees' Pensions

The Reagan budget ax swung at the nation's 400,000 railroad pensioners who were shocked to find in early October that their monthly retirement checks had been abruptly reduced, causing serious hardship for many of these senior citizens. Their pensions had been arbitrarily cut because President Reagan's budget bill failed to provide enough funding for a special account for these retirees as mandated by legislation passed in 1974. In eliminating a system of dual pension benefits under Social Security and railroad retirement, this statute had specifically called for general Treasury funding of those benefits for pensioners receiving them at that time. When the Senate debated a continuing appropriations bill, Sen. Howard Metzenbaum (D-Ohio) offered an amendment to add the necessary $90 million to the special railroad retirement fund. The amendment was approved by a 61-34 vote on Nov. 19, but the entire legislation later was vetoed by President Reagan. Subsequent legislation failed to provide the funds necessary to maintain railroad retirees' pension checks at their original level.

For—Right. Against—Wrong.

8. Preserving U.S. Maritime Jobs

During consideration of a foreign aid authorization bill, Sen. John Danforth (R-Mo.) proposed an amendment to repeal the requirement that 50 percent of all shipments of U.S. food under the Food for Peace Program be carried on U.S.-flag ships. Since 1954 that requirement has helped prevent the further decline of the American merchant marine fleet, maintain maritime employment and ensure that beneficiaries of this program realize that the source of the foreign aid is the United States and not another country whose vessel happens to transport the commodities. By a 28-70 vote on Oct. 20, the Danforth repealer was rejected.

Against—Right. For—Wrong.

9. Shredding the 'Safety Net'

While the Reagan economic program heaped the biggest tax bonanza on record on the wealthiest individuals and corporations, it demanded painful reductions in the programs that help ensure a better life for the majority of Americans. Among these are federal loans and loan guarantees to help working people send their children to college, wage and job safety protections, unemployment benefits, environmental safeguards and aid to depressed urban areas.

During Senate debate on a preliminary budget bill, Sen. John Chafee (R-R.I.) tried to restore $973 million to several domestic programs. Among other elements, the labor-backed amendment allocated half its funds to elementary and secondary education programs, such as assistance to schools to improve basic reading and writing skills of disadvantaged and handicapped children. The Chafee package also would have restored $300 million for assistance to low-income families and the elderly to insulate their homes and help offset rapidly increasing heating bills they cannot afford. Finally, it would have increased funds for preventive health care programs as well as urban economic development and mass transit. Reaganomics and its blind budget-cutting resulted in rejection of the Amendment 40-59 on Mar. 31.

For—Right. Against—Wrong.

10. Destroying Federal Programs

As passed by Congress, the Reagan budget slashed billions of dollars from "people" programs in order to finance windfall tax cuts for the rich and corporations. By cutting more than $214 billion in federal expenditures over three years, the Administration made sure that social investments necessary to strengthen the economy were eradicated, the meager incomes of the jobless, the elderly, and the poor were reduced, and the nation's long-range needs for energy security, transportation improvements, environmental safeguards and urban development were seriously endangered.

The impact of the devastation of the Reagan budget was far-reaching. For those seeking educational opportunity, $10 billion was cut from college loans and grants, aid to elementary and secondary schools and the school lunch program. For the elderly, billion-dollar reductions were imposed in Social Security, railroad retirees' pensions and federal retirement benefits, while Medicare premiums were raised by another billion dollars a year. For the jobless, $6 billion was axed from unemployment benefits while federal manpower programs were cut by $16 billion. For workers, major reductions in budget and personnel were imposed on the key law enforcement agencies such as OSHA and NLRB. On economic development, $7 billion was severed from federal highway maintenance, mass transit and rail transportation funding. For the poor, $16 billion was cut from various assistance programs. Meanwhile, key consumer and environmental agencies saw their budgets, staff and regulatory authority substantially curbed.

The AFL-CIO condemned these and other elements of the Reagan budget as "a high-risk gamble with the future of America in which workers and the poor take the lion's share of the risk." Despite the federation's warnings that these budget reductions would cost more than a million Americans their jobs, the Senate approved the Reagan budget-cutting reconciliation bill by an overwhelming 80-15 vote on June 25.

Against—Right. For—Wrong.

11. Tax Cuts for the Rich

The Reagan Administration's 1981 tax cut represents the largest tax giveaway in U.S. history. Through billion-dollar budget cuts in programs that help people, the Administration was able to finance a tax bonanza for wealthy individuals and corporations which will deplete the federal Treasury by some $750 billion in lost revenues by 1986. This in turn will generate huge federal deficits and pressure to keep interest rates at astronomical levels.

As enacted, this raid on the Treasury cut business taxes by $170 billion, thus reducing by one-half the effective corporate income tax rate, to only 14 percent by 1986. In addition, oil companies were given still another $12 billion tax handout. For the rich, the bill eliminates $15 billion in estate and gift taxes by 1986 while new "savings incentive" tax schemes heap another $21 billion on those who can afford large savings accounts. The highly touted "across-the-board" cuts used to peddle the Reagan tax bill to the public were later labeled a "Trojan Horse" by Reagan Budget Director David Stockman, who said in reality they were designed to ensure passage of the Administration's real goal: a slash in the top income tax rate for the rich from 70 to 50 percent. The so-called across-the-board cuts in fact delivered one-third of the tax savings to the wealthiest six percent of American taxpayers.

To correct this gross inequity, Sen. Bill Bradley (D-

(Continued on next page)

Labor's Stand on Major Issues in the Senate

(Continued from preceding page)

N.J.) proposed an amendment to distribute more fairly the individual taxcut savings to the 95 percent of Americans who earn less than $50,000 a year. The Bradley amendment was rejected 24-61 on July 17.

For—Right. Against—Wrong.

12. Tax Cuts for the Oil Industry

One of the most blatant giveaways of the Reagan tax bill was a $12 billion tax break for the oil industry. Besides giving the oil companies a host of general business tax benefits, Congress further reduced the oil industry windfall profits tax by 50 percent within five years. Only 17 months earlier, Congress had enacted that tax to recoup just one-fourth of the excess profits generated by an end to federal oil price controls (See Vote 16). Oil industry lobbying for repeal of the windfall profits tax began at the moment it was enacted. In 1981, with conservatives in control of Congress, the oil firms struck a revenue gusher.

In Senate debate on the tax bill, Sen. Edward Kennedy (D-Mass.) offered a motion to recommit the bill to conference with instructions to reduce or eliminate this House-passed multi-billion-dollar revenue-losing provision. Senate conservatives once again led the effort that buried the Kennedy motion by a 20-55 vote on Aug. 3.

For recommittal — Right. Against recommittal — Wrong.

13. Slashing Social Security Benefits I

Using scare tactics based on outright distortion, President Reagan unleashed the most serious assault on the social security system in its near-50-year history by proposing to slash $82 billion in benefits for retirees, crippled workers, orphans and widows. Like his economic proposals, these cuts would be accompanied by reshaping the program through a massive redistribution of social security benefits. For example, one provision of the Reagan package would have given certain well-off elderly persons, such as doctors or lawyers whose good health and favorable job opportunities allow them to work beyond age 65, nearly $7 billion in added benefits even though they had suffered no loss in income. Meanwhile, social security protection for those who most need a government "safety net" would be drastically reduced.

The President claimed his multi-billion-dollar benefit reduction scheme would rescue social security from imminent financial collapse, even though it faced only a short-term, revenue shortage due to a combination of continuing high unemployment, double-digit inflation and an increasing number of social security beneficiaries.

In late May, Sen. Daniel Moynihan (D-N.Y.) offered a strong statement of opposition to the Reagan social security proposal as an amendment to a supplemental appropriations bill. Senate Republicans, scurrying to cover the President's political flanks, blocked Moynihan's elort by a narrow 49-48 vote on a tabling motion by Sen. Mark Hatfield (R-Ore.) on May 20.

Against tabling—Right. For tabling—Wrong.

14. Stabilizing Social Security

The $82 billion proposal by the Reagan Administration to weaken the social security system sought to manipulate public concern over short-term social security funding difficulties to justify drastic benefit reductions. The AFL-CIO and senior citizen, consumer and public-interest groups countered that the temporary $10 billion revenue shortage could be remedied easily either by borrowing from other social security funds—disability and health insurance—which were in surplus, or with an infusion of general revenues, a measure which had been originially intended by the architects of the system.

A variation of the general revenue financing remedy was proposed by Sen. Thomas Eagleton (D-Mo.) during debate on legislation to restore the minimum social security benefit. Sen. Eagleton tried to restore the $12 billion oil industry tax giveaway in the Reagan tax bill (See Vote 12) and use the revenues as a funding reserve for social security. Lining up with the oil lobby against the nation's senior citizens, conservatives succeeded in killing the Eagleton amendment, approving a tabling motion by Sen. Robert Dole (R-Kan.), 65-30 on Oct. 15.

Against tabling—Right. For tabling—Wrong.

15. Slashing Social Security Benefits II

Not even the poorest of America's elderly escaped the impact of President Reagan's budget-cutting in 1981. One of the first programs singled out was the social security minimum benefit—a $122-per-month payment to those who worked for a limited time or were employed in low-paying jobs and thus did not qualify for greater social security benefits. Of the three million Americans currently receiving this minimum benefit, nearly 90 percent are women, half are over age 70, and 500,000 are 80 or older.

During Senate debate on the budget reconciliation bill, Sen. Donald Riegle (D-Mich.) proposed an amendment to partially restore the minimum benefit by maintaining it for current but not for future retirees. But this modest proposal, backed by the AFL-CIO, was opposed by Senate conservatives and it was defeated, 45-33, on June 23. Fortunately, the minimum benefit later was restored in conference—but only for those retiring by the end of 1981.

For—Right. Against—Wrong.

16. Rising Consumer Energy Costs

Rising energy costs have been a driving force behind the double-digit inflation of the last few years. To a great extent this has been the result of 1979 legislation to phase out by Sept. 30, 1981, all federal price controls on domestically produced oil and gasoline—an action that will cost American consumers $1.1 trillion in higher energy prices by 1989. In his first major economic policy action following the inauguration, President Reagan, despite campaign pledges to bring down inflation, gave voters a preview of Reaganomics by eliminating the remainder of federal price controls. This single stroke cost consumers approximately $12 billion in higher energy costs as the oil companies immediately rased the pump price of gasoline by 8-10 cents per gallon.

During debate on an oil industry anti-trust bill, Sen. Howard M. Metzenbaum (D-Ohio) offered an AFL-CIO-supported amendment to nullify the President's action. But the oil lobby prevailed as the Metzenbaum amendment was defeated 24-68 on Mar. 10.

For—Right. Against—Wrong.

17. Saving Public Works

A major federal public works program—the Tennessee-Tombigbee Waterway — barely escaped the frenzy of congressional budget-cutting in 1981. This 232-mile inland canal connecting the Tennessee and Tombigbee Rivers will, upon completion, allow barge traffic to flow from Appalachia to the Gulf seaport of Mobile, Ala. At present "Tenn-Tom" is more than 80 percent complete with the government having already spent about $1 billion on the project. This labor-backed public works program is considered necessary to developing a modern mid-American waterway transportation system, vital to improving interstate commerce and furthering U.S. exports of agricultural commodities, coal and manufactured products. In addition, thousands of construction, maintenance and transportation jobs depend upon completion of this project.

During consideration of the fiscal 1982 energy and water appropriations bill, Sen. Charles Percy (R-Ill.) proposed an amendment to delete $189 million for continued construction of the waterway and thus effectively kill the project. The Percy amendment was rejected 46-48 on Nov. 4.

Against—Right. For—Wrong.

18. Attack on the U.S. Constitution

In a frontal assault on the constitutional system of checks and balances among the three branches of government, Senate conservatives won adoption of a proposal by Senators Jesse Helms (R-N.C.) and J. Bennett Johnston (D-La.) crippling the ability of federal courts to order pupil assignment and transportation as a remedy to eliminate illegal racial segregation in schools. The amendment also included language to allow the U.S. Attorney General to file lawsuits to overturn previous desegregation orders.

In essence, the Helms-Johnston amendment would deny the judicial branch of government its appointed role of enforcing the Constitution, and it would circumvent the amending process by allowing the Supreme Court's interpretation of the Constitution to be overruled by a simple majority vote of Congress. After the amendment was approved by a 60-39 vote on Sept. 19, the Justice Dept. funding bill to which it was attached was removed from floor consideration.

Against—Right. For—Wrong.

19. Food Stamps for Jobless Workers

A major supplementary unemployment benefit program to help feed the families of the long-term jobless is the federal food stamp program. In 1981, funding for this anti-hunger program was severely cut by the Reagan budget through legislation enforcing a rigid limitation on federal food stamp spending. This spending "cap" would have the effect of drastically reducing food stamp benefits if food price inflation or unemployment increases more than predicted and creates greater demands on the program. In addition, the bill immediately denied one million Americans these benefits.

When lobbying for this restriction in early June, the Administration boldly predicted a drop in unemployment. Yet, barely six months later, 1.5 million more American workers had lost their jobs. During debate of a food stamp funding bill, even Sen. Robert Dole (R-Kan.) recognized the harshness of the food stamp spending lid. He and Sen. Patrick Leahy (D-Vt.) proposed an amendment to allow small increases in the cap in case of increased demands for benefits. Once again Senate conservatives led the attack, and this modest proposal lost by a 41-53 vote on June 10. Thus, despite a promise that the Reagan budget ax would not harm the "safety net" programs, food stamp funding will be insufficient to provide minimum standards of nutrition for the hungry in America.

For—Right. Against—Wrong.

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Along With Vital Programs

Government Workers Victims Of Reagan Wrecking Crews

The following is from an address by AFL-CIO President Lane Kirkland at a legislative conference of the American Federation of Government Employees, Feb. 4, 1982, Washington, D.C.

OVER MANY generations, the government of the United States has evolved as a shield against the power of concentrated wealth. It has developed antimonopoly regulations, pollution controls, protective standards that govern banking, shipping, housing and employment.

It has established food and drug, and health care standards. It has enacted laws to protect workers and consumers, to control access to the airwaves, and to guarantee human rights.

All of these are legitimate and necessary functions of government. They were undertaken in response to the democratic will of the people. To carry them out, governments at every level have been obliged to hire many thousands of workers in every trade and profession.

IN CHOPPING away at this great pool of manpower and expertise, the Reagan Administration is stripping government of its ability not only to carry out its responsibilities, but even to sense and interpret and understand what those responsibilities are, and what is happening in the world around it.

This assault on government and government workers is nothing new. Government workers have been scapegoats of political expediency for a long time. Presidents Nixon, Ford and Carter all campaigned against government while they were asking the American people to put them in charge of government.

Those who are unable to come up with creative policies prefer to lodge the blame elsewhere, but the fact is that when government policies go wrong, it is from the top down, not from the bottom up.

OSHA inspectors do not write the regulations they are charged with carrying out. Internal Revenue agents don't make up the tax laws they enforce. Border patrolmen and drug enforcement officers had no voice in the budget cuts that make it impossible for them to halt the influx of illegal aliens and illegal drugs.

BUT INSTEAD of holding the people in charge responsible for the excesses or shortcomings of governments, voters have been bulldozed into blaming rank-and-file government workers who carry out the instructions of the elected leaders.

The logical conclusion of that destructive exercise in buck-passing has been the election of so-called "fiscal conservatives" whose greatest ambition is not to make the instruments of government work better, but to abolish them.

Certainly, there can be no pretense of efficiency in President Reagan's new scheme for playing musical chairs with government programs

HANDING OVER 40 or so federal programs to state governments could mean that for every employee sacked in Washington, 50 or more have to be hired, one in each of the states, to administer the programs that are handed over.

No one really believes that will happen. A great many of the programs killed in Washington will be stillborn in the statehouses, and those who depend on them will have no place to turn. The programs that do survive under state auspices will be administered by people who have never done it before.

What America needs most at this moment is unified, national action to combat recession. The Reagan wrecking crews must be called off. People-oriented programs already on the books must be given sufficient funding to provide jobs quickly and help lift the economy.

WE NEED ACTION to revive the emergency public works program and to provide new housing, to reactivate public service job programs and to restore nationwide unemployment compensation for the long-term unemployed—all as a first step.

All that is required to finance these programs is to recapture the huge, irresponsible tax giveaways that were showered on the rich in the 1981 tax bill.

In the last year or so of the Carter Administration, the AFL-CIO negotiated an understanding with the President that we called a "national accord."

It outlined the conditions under which labor committed itself to participate fully in the national ecort to combat inflation and to share fairly in whatever sacrifices might be needed to restore economic growth, with the aim of establishing a productive, full-employment economy.

THE ADMINISTRATION has rejected that accord and all of its goals and premises. But they remain sound and valid. No other program holds any real promise of long-term success.

We stand ready to cooperate with this or any other Administration that will accept the principle of partnership between labor, industry and government with the goal of a stronger economy and a more just society.

Meanwhile, we intend to defend the interests of workers and to protect the progress we have made so far through all of the other channels of trade union activity that remain open to us: organizing and collective bargaining, community action, legislative and political activities at every level.

Impact on Jobs, Careers

Worker Safeguards Pressed In Wake of AT&T Breakup

PROTECTING THE rights and careers of Bell System employees is the prime focus of the Communications Workers as the union weighs the effects of AT&T's divestiture agreement, CWA President Glenn E. Watts said.

While AT&T's agreement with the Justice Dept. could have made stronger guarantees for the interests of workers, consumers, the public and the company's stockholders, Watts said there is little chance that Congress will set aside the agreement. "We're confronted by actuality," he said, stressing that the union is "preparing to deal with the situation as it will exist" when the agreement takes effect.

Questioned by reporters on Labor News Conference, Watts said the union has called on AT&T to renegotiate immediately the successor provisions of the current collective bargaining agreement to address the effects of divestiture.

He pointed out that when those provisions were negotiated in 1980, the parties anticipated that any eventual settlement of the Justice Dept.'s antitrust suit against AT&T "would establish arms-length, separate subsidiaries, not complete divestiture." He expressed confidence that the union will be able to work out adequate employee protections in the talks with AT&T.

Watts said he has no reason to doubt the assurances of AT&T Chairman Charles L. Brown that divestiture will not adversely affect employees, that pensions and salary levels will be maintained. He noted that since "present AT&T stockholders will be given shares in the spun-off entities," the newly created local telephone companies are likely to "retain the same personality."

But "I will feel much better when we've got it all in writing—when it's signed and wrapped up in a good package," he said. That, he added, is why the union is pressing for early negotiations with AT&T.

Reporters questioning Watts on the AFL-CIO produced public affairs program were Ernest Holsendolph of the New York Times and Merrill Brown of the Washington Post. Labor News Conference is broadcast weekly on the Mutual radio network.

Washington Window

By Press Associates, Inc.

WHILE PRESIDENT REAGAN apparently prefers to stand pat on failed policies, there is increased activity among groups which would rather get something going.

A diverse coalition of groups in the cities—the State, County & Municipal Employees, the American Federation of Teachers and the U.S. Conference of Mayors—has called for a $24 billion program to help the cities help themselves.

As they put it in brief, they want to revitalize the cities, retrain workers and improve basic education for the disadvantaged.

ASKING FOR "well-reasoned policies, not ideology," they said "unthinking and across-the-board cuts" in the public sector have contributed to the recession and high unemployment. Further cuts not only will make recovery unlikely, "but will also turn us into a second-rate economic power burdened by a crumbling infrastructure and retarded by an undereducated workforce."

To avoid that future, the three organizations agreed to work for a federal program with these major features:

- An urban block grant to help cities repair and replace their infrastructure, including streets, bridges, water and sewer systems.

Where the Urban Institute estimates that local governments need $700 billion to improve their dilapidated infrastructure, the coalition seeks only $4 billion a year to get the work started. Cities of greatest need and with 6.5 percent or more jobless, would get priority.

- A $5 billion Skill Training & Employment Program (STEP) to boost productivity. This would train and retrain workers for a changing job market. Funds would be targeted on areas with high unemployment and large numbers of disadvantaged.
- Assurance of Medicaid for pregnant women and young children whose family income is at or below two-thirds of the poverty line.

MEDICAID NOW covers less than 75 percent of the poor and excludes some 8 million children in poor families. Since it costs less than $2,000 for prenatal care and delivery of a child and $20,000 a year to institutionalize a retarded child, it is not only humane but much cheaper to provide preventive services, the coalition observes.

- A $1.5 billion program to enhance workers' basic educational and vocational skills.

Small businesses, which provide most of the new jobs in the economy and which do not have the resources to upgrade worker education and skills, rely on a ready supply of tilerate workers.

- A $1 billion Housing Preservation & Production program to build and rehabilitate houses and weatherize low-income units.
- A $5 billion program to provide loans, loan guarantees and interest subsidies to small business, new ventures and emerging industries in areas with high unemployment.
- A public transportation block grant of $1 billion over the current funding of $3.7 billion to help cities purchase and operate bus and subway systems. It would be financed by a one-cent hike in the gasoline tax.
- A $1 billion railroad rehabilitation program to trigger in when unemployment exceeds 7 percent, with increased funding at higher jobless rates.

Each $1 billion would employ 100,000 people very quickly in improving roadbeds and building track and upgrading existing lines.

THE $24 BILLION called for by this 10-point program could be paid for very easily by correcting some of the excesses in the $750 billion tax cut enacted in 1981, the coalition points out.

At a time when some members of the Congress are mesmerized by a presidential smile and others are paralyzed by a sense of inaction, the AFSCME-AFT-mayors proposal offers something positive to work with.

SAFEGUARDS AGAINST adverse effects for workers from AT&T's divestiture agreement are the central concern of the Communications Workers, CWA President Glenn E. Watts, center, said on Labor News Conference. He was questioned by Ernest Holsendolph, left, of the New York Times and Merrill Brown of the Washington Post. The AFL-CIO produced public affairs program is aired weekly over Mutual radio.

Reagan Budget Threatens Deepening Housing Crisis

President Reagan's proposed budget would worsen the nation's housing shortage, the AFL-CIO and a coalition of concerned national organizations warned.

The Housing Coalition statement stressed "the almost complete elimination of new federally assisted housing" along with cancellation of unused budget authority from past years that would have been used for housing construction.

If Congress goes along with the Administration budget proposals, the organizations charged, the nation would be carried still further from the goal of "a decent home for every American familly."

Instead, more families would have to double up and more low-income people would be left homeless, with the elderly and minorities especially hard hit. Established urban and rural housing programs would be scrapped before alternative programs could be put in place, the statement warned.

For the housing industry, its suppliers and the workers affected, the housing cuts would "aggravate the depression in residential construction" and thus "prolong the general economic recession caused by high interest rates."

In addition to the AFL-CIO, the groups joining in the protest were the Inter-Religious Coalition for Housing, National Association of Housing & Redevelopment Officials, National Committee Against Discrimination in Housing, National Council of Senior Citizens, National Housing Conference, National Low-Income Housing Coalition, National Rural Housing Coalition and the U.S. Catholic Conference's Office of Social Development.

Key Republicans Take Posts In Social Security Coalition

Two prominent Republicans have accepted leadership posts in the Save Our Security coalition (SOS), which is coordinating a grass roots campaign to block Reagan Administration efforts to cut back benefits.

Arthur Flemming, who served as Secretary of Health, Education & Welfare in the Eisenhower Administration and has held high government posts before and since, was named chairman of the coalition's advisory committee.

HE SUCCEEDS Robert M. Ball, who had served as social security administrator under Presidents Nixon, Kennedy and Johnson. Ball stepped down after having been named to the presidential panel that will study the social security system.

Also joining the coalition advisory committee is John B. Martin, who served as Commissioner of Aging in the Nixon Administration and was a Republican national committeeman from Michigan for eight years.

The two appointments were announced by SOS Chairman Wilbur J. Cohen, himself a former Secretary of Health, Education & Welfare.

"THEIR ACTIVE participation in the work of the coalition helps to underscore the bipartisan nature of our efforts on behalf of social security," Cohen said.

Cohen said the coalition will work to bring together local affiliates of the cooperating national organizations to let representatives and senators know the home district sentiment.

He expressed concern that people may be "lulled" into thinking that the battle has been won because of recent Administration promises not to tamper with social security.

"BUT THIS is the same Administration," Cohen stressed, "which tried to pack the recent White House Conference on the Aging, and which is still applying backdoor pressure on Congress to sharply reduce benefits and coverage to help achieve its goal of balancing the budget."

The AFL-CIO and many of its affiliates are part of the SOS coalition, along with religious, senior citizen, civil rights and handicapped organizations.

CWA Sponsors TV, Radio Series On Technology

A television show and radio series on the communications revolution, has been made available by the Communications Workers for publicly owned stations.

The public affairs series, "Rewiring Your World," features panel discussions and programs with telecommunications experts, futurists, journalists, labor representatives, sociologists, and psychologists. It is moderated by Martin Agronsky.

THE DISCUSSIONS center on the surging technological change in computers and communications and the impact this change will have on "workers, society, the nation and the world," the union said.

The half-hour television show, already scheduled for broadcast on stations in Boston, Los Angeles, St. Louis and Washington, D.C., feature CWA President Glenn Watts; former CBS president Fred W. Friendly, now broadcast dean and professor emeritus at Columbia University; researcher Daniel Yankelovich; Ian Ross, president of Bell Laboratories, and Douglass Cater, senior fellow at the Aspen Institute, along with Agronsky.

Watts said the series was intended to be "unusual and thought-provoking," and that it includes a range of opinions on how the communications revolution will shape the future.

Some guests on the show, he pointed out, "see us heading toward a utopian world in which drudgery and poverty have been eliminated."

OTHERS SEE a future where "the tools of technology are used for exploitation and control," Watts said. Another suggestion, he noted, is that "the world will no longer be divided between the haves and the 'have nots' but between the 'knows' and the 'know nots.' "

The television program, available now, can be broadcast any time during 1982 by commercial, public or cable stations, CWA said.

If All Goes Well

Economic Advisers See Continuing Joblessness

(Continued from Page 1)

The Council of Economic Advisers predicts a steadily declining rate of inflation, from nearly 10 percent last year to less than 5 percent in 1984, but CEA Chairman Murray L. Weidenbaum told reporters at a briefing that this is a tenuous forecast. He said the Administration's prediction of an inflation rate of about 7 percent this year—still high by historical standards—"indicates that we cannot relax our guard on inflation."

"Continuing deceleration in money growth, fairly rapid adaptation of expectations to lower inflation, and growth aided by tax policies that are weighted toward investment are expected to be characteristic of the mid-1980s," the CEA report observed.

But the numerical goals of the 1978 Humphrey-Hawkins Full Employment & Balanced Growth Act—4 percent unemployment and 3 percent inflation for 1983—apparently have been lost in the prognostications.

THE CEA LETS the Administration off the hook by noting that, "according to the Act, the President may, if he deems it necessary, recommend modification of the timetable for achievement of the interim and final goals for unemployment, inflation, and federal outlays as a share of gross national product."

Experts at the Congressional Budget Office, in a report to the Senate and House Committees on the Budget, indicated that the President's long-range assumptions about unemployment are optimistic. They forecast a jobless rate staying above 8 percent until 1984 and remaining above 7 percent until 1986.

"The unemployment rate is expected to be at very high levels in the near term, and to decline only gradually during the recovery," the CBO report observes. "The average unemployment rate is expected to be in the 7.9 to 9.9 percent range for the calendar year 1982 and about one percent lower for 1983."

ALSO UNDERLYING the Administration's economic forecast is the assumption of a 3 percent increase in real gross national product in 1982, followed by a 5.2 percent growth rise next year. Real GNP, or the value of the nation's total output of goods and services after discounting the impact of inflation, is expected to rise by 4.3 percent or more each year through 1987.

Weidenbaum told reporters that 1982 "will be the year of the turnaround" in the economy, and "the first year when we will be able to examine the effects of the Reagan program." He predicted that the economy will visibly turn up starting in late spring or early summer and grow at a fairly brisk pace in the second half of the year.

"Apart from the very high rate of expected inflation reflected in current interest rates, the economy is generally free of impediments to expansion," the President's advisers contend.

"THE KEY AREAS of rebound in the economy this year are expected to be consumer goods, housing, autos, and defense," the report asserts. "The principal areas that are anticipated to lead the expansion next year are business investment, inventories—including a rising trend of defense work in progress—and a further acceleration in defense deliveries."

Reagan and his advisers see as the key to recovery the series of tax cuts enacted in 1981—5 percent last year and 10 percent on July 1 this year and next. The reductions will provide "the foundation for increased employment, spending, saving, and business investment," the President's economic report claims.

"The outlook for 1983 and subsequent years is based on continuation of the Administration's spending, tax, and regulatory policies, continued monetary restraint, and broader public recognition that the Administration is committed to each of these key elements of its program," the report notes.

THE REAGAN economists acknowledge that the huge projected budget deficits are "undesirably high," but say in their report "they are not expected to jeopardize the economic recovery program."

While separating the Federal Reserve Board from its own policymaking, the Administration report makes clear that the Fed's policy of slow money growth to fight inflation is a main part of Reagan's plan. But it blamed the current recession and other economic ills partly on the central bank, and urged the agency to control the money supply more evenly.

"Unfortunately, the high and volatile money growth of the past, and the high inflation and high interest rates which accompanied it, were instrumental in bringing about the poor and highly uneven economic performance of 1980 and 1981, culminating in a sharp fall in output and a rise in unemployment in the latter months of 1981," Reagan said in his written report.

BOARD OF DIRECTORS of the Jobs for America's Graduates program explore U.S. employment problems. From left are Executive Director Mike Arnold of the AFL-CIO Human Resources Development Institute, Gov. Lamar Alexander of Tennessee, Vice President Bush and Gov. Pierre du Pont of Delaware.

HRDI's Director Named to Board Of Job Program

Mike Arnold, executive director of the AFL-CIO Human Resources Development Institute, has been appointed to the board of directors of the national youth program, Jobs for America's Graduates, on the recommendation of AFL-CIO President Lane Kirkland. The board oversees the operation of five statewide pilot programs that offer assistance to high school seniors needing special help in making the transition from school to work.

JAG is based on a successful model program in Delaware begun in 1979 with the support and assistance of State AFL-CIO President John Campanelli and the HRDI office in Wilmington.

THE PROGRAM offers high school seniors instructions in basic job seeking skills, orientation to the realities of the world of work, motivation through a unique vocationally oriented student organization, and actual job placement in the private sector.

Public figures serving on the national JAG Board, besides Arnold, include Vice President George Bush, former Vice President Walter Mondale, Virginia Gov. Charles Robb, NAACP Director Benjamin Hooks, and M. Carl Holman, president of the National Urban Coalition.

In the pilot programs currently operating in Arizona, Delaware, Massachusetts, Missouri and Tennessee, 6,000 students in 80 high schools are expected to participate during this school year.

Settlements Spread in Meatpacking

The Food & Commercial Workers approved agreements with two more meatpacking companies similar to the packinghouse industry pattern set in December with Armour & Co. and Wilson Food Corp.

The new contracts with Swift & Co. and Hormel & Co. call for a 44-month wage freeze in return for job and union security protections. Under the pacts, which replace exising agreements immediately, the firms agree not to close any plants for the next 12 months.

AS IN the two earlier agreements, the companies agreed to recognize UFCW whenever a majority of workers at a new plant sign authorization cards, and to provide the union with information about its spending plans.

UFCW President William Wynn and Vice Pres. Lewie Anderson, who heads the union's packinghouse division, said at the time of the Armour and Wilson settlements that the meatpacking industry "as a whole is in sound financial condition," but that the major firms "were rapidly becoming vulnerable to severe competitive pressures from lower wage operators." One of the union's goals in its negotiations with the industry has been to protect wage increases already won by members.

One major packer, John Morrell & Co., has decided against reopening its current contract with the union as the other firms have done. Instead, the company plans to close plants in Arkansas City, Kan., and in Memphis early this summer and give job termination notices to some 500 workers at each facility.

At Kahn's & Co., a Cincinnati meatpacker, the union has taken a stand against a request for labor cost concessions, charging that concessions are not based on financial need but constitute company attempts at "union-busting."

UNDER THE pattern settlement, cost-of-living provisions are retained but payments suspended for the duration of the contracts. The firms agreed to a lump-sum payment in December 1983 of COL increases that were due in January and July of this year under the old pacts, however.

The pacts also provide for medical benefit improvements, and allow for wage reopener talks in September 1984, with the right to strike.

AFGE Mourns Death Of Joseph D. Gleason

Alexandria, Va. — Joseph D. Gleason, executive vice president of the American Federation of Government Employees, died Feb. 7 of cancer at the age of 53.

AFGE President Kenneth T. Blaylock mourned Gleason as "a dedicated trade unionist" whose life was devoted to the union cause. Before his election as executive vice president, Gleason had served for eight years as a national vice president from the New York-New Jersey district.

His trade union career began more than 30 years ago, when he joined a local of the former Textile Workers in Providence, R.I. He served on the staff of a number of unions and was appointed an AFGE national representative in 1964.

Survivors include his wife, Jenny, and three sons.

New Pamphlet Contains Convention Keynote Speech

The AFL-CIO has published a nine-page pamphlet containing the text of AFL-CIO President Lane Kirkland's keynote address to the federation's 14th biennial convention. It is titled "Solidarity . . . Key to the Future."

Copies of the pamphlet, Publication No. 155, are available free in reasonable quantities on request from the AFL-CIO Pamphlet Division, 815 16th Street, N.W., Washington, D.C. 20006.

AD CAMPAIGN launched by the Chicago AFL-CIO includes 82 billboards like this placed throughout the metropolitan area and a series of 60-second radio spots on the city's major stations through Mar. 12.

New Slash in Social, Job Programs Sought in Reagan Budget Proposal

(Continued from Page 1)

increase. But the contrast with the proposed gutting of social programs would be so great as to jeopardize congressional concurrence.

The President took to the hustings to beat the drums for his budget and for the "new federalism" by which he hopes to shift an array of federal programs to eventual state funding.

IN SPEECHES before the Iowa and Indiana legislatures, he blamed the nation's economic problems on the "mess" he inherited, flayed federal employees, used campaign-style rhetoric to mock the "puzzle palaces on the Potomac," and attacked criticism of his budget proposals by the news media.

But the Republican chairman of the National Governors' Association, Vermont's Gov. Richard A. Snelling, made it clear that the states are not part of the cheering section for the Reagan economic program.

"It would be unrealistic to expect the states to support another round of deep budget cuts," Snelling said.

"THESE CUTS would fall heavily on many of the nation's needy citizens and would shift unacceptable burdens to state and local governments already struggling with the recession and deep 1982 federal aid reductions," he warned.

On Capitol Hill, Democrats assailed the lopsided tilt of the budget and Republicans splintered over how a party supposedly committed to balanced budgets can deal with the enormous deficits of Reagan's first two years.

By the Administration estimate, the deficit for the current fiscal year will amount to $99 billion and the deficit for the 1983 fiscal year, which starts on Oct. 1, 1982, will total $92 billion—even if the economy rebounds as the White House predicts and Congress swallows his recommendations intact.

THE NON-PARTISAN Congressional Budget Office, which serves both the Democratic House and the Republican Senate, projects the current deficit at $109 billion with the fiscal 1983 shortage reaching $157 billion.

The tax cuts for those with substantial income to invest are the heart of the so-called "supply-side" economics—a philosophy that the President's top budget aide, David Stockman, has characterized as "trickle-down" economics. Thus the President resisted urgings to reduce the scheduled tax increases to lower the budget deficit.

His only concession was to endorse some relatively minor revenue-raisers, including increases in various "users' fees." One such revenue-raiser involves the list of arbitrators the Federal Mediation & Conciliation Service routinely provides on request to parties preparing to arbitrate contract disputes. The FCMS will now charge about $15 for furnishing the names of possible arbitrators. It issued 33,200 such lists in 1981. Another revenue-gainer would be a requirement that railroad unions and management now pay the cost of grievance arbitration services now provided by the National Mediation Board.

Ironically, while rejecting economic stimulus programs in its budget, the Administration acknowledged that its deficit is the result of the depressed economy, and not overspending by government.

At a budget briefing for reporters, Treasury Sec. Donald T. Regan said "higher revenues from having more people working" and resultant "lower outlays on unemployment and welfare programs" would "signficantly improve" the budget picture. In fact, he said, if unemployment had been brought below 6 percent, "the current deficit would be roughly $75 billion lower."

In broad terms, based on summaries of the thousands of pages of documents, these are some of the President's proposals:

LABOR DEPT. PROGRAMS — Employment and training programs, severely cut in the current fiscal year, would be further reduced and parcelled out to state control. Subsistence payments for those in classroom training programs would be eliminated. Overall, programs under the Comprehensive Employment & Training Act budgeted for $4.6 billion this fiscal year would be reduced to $2.4 billion. The Job Corps would be retained but cut back.

The remnants of the Trade Adjustment Assistance program would be wiped out, all cash assistance ended and persons displaced by imports would merely be covered by unspecified "targeted assistance" services, along with Indians, migrant farm workers and older workers. Special benefits for workers displaced by expansion of the Redwood National Park in California would be curtailed.

HEALTH PROGRAMS — Both Medicare and Medicaid patients would have to pay higher out-of-pocket expenses and a number of previously separate programs would be combined with less total money available.

Low-Income Assistance — Food stamp assistance would be reduced $2.3 billion from current services levels, on top of heavy cuts already made in eligibility. Aid to Families with Dependent Children—the basic family welfare program—would be cut $1.1 billion on top of a comparable cut in this fiscal year. An example of the change: a family receiving fuel-aid payments for winter heating bills would have its AFDC payment reduced by that amount. Child nutrition programs would be reduced. And benefits under the supplemental security income (SSI) program would be reduced for the poor, disabled and elderly.

FEDERAL EMPLOYEES—Comparability pay raises for federal workers, supposedly mandated by law, would again be reduced by executive action—to 5 percent. Federal workers would have to pay a Medicare payroll tax in addition to their civil service retirement contributions. Further layoffs would be required and retirees would face reduced cost-of-living adjustments to their pensions in future years.

DEFENSE SPENDING — Outlays would rise from $187.5 billion this fiscal year to $221 billion in fiscal 1983 and further increases projected for future years. The rise is necessary, the President said, "to restore our margin of safety and counter the Soviet military buildup."

HOUSING—See story on Page 14 for reaction to proposed cutbacks. The shortage of affordable housing will grow.

TRANSPORTATION — Mass transit subsidies cut 38 percent, funding for non-interstate highways reduced 21 percent, Amtrak passenger train subsidy cut $185 million. The Railroad Retirement Board would be abolished. The Social Security Administration would take over direct payment of the social security portion of the two-tier railroad retirement system. The industry-financed tier of benefits would be administered by a non-government pension fund.

EDUCATION — In addition to previously noted cuts, the Dept. of Education would be abolished and replaced by a non-Cabinet Foundation for Educational Assistance. The Administration plans to ask Congress for tuition tax credits for families sending children to private schools.

In its honeymoon year, the Administration pushed through the bulk of its program in a single budget reconciliation based on rigid spending ceilings for various categories of programs. The legislative committees of Congress were then obligated to reduce the programs—often by amending or repealing permanent laws—in order to comply with the ceilings.

But OMB Director Stockman conceded at a press briefing that the same strategy isn't likely to work two years in a row. The Administration acknowledged that its major proposals will have to be considered by legislative committees, he said, and the reconciliation process will be used only "selectively."

Congress has its own budget-setting mechanism. But last year it virtually abandoned its independent role and almost blindly followed the White House lead.

Frank Mirer Appointed To New UAW Safety Post

Detroit—Frank Mirer has been appointed director of the Auto Workers' new occupational safety and health department, which was established by UAW executive board action.

Mirer had been assistant director of the UAW social security department which previously handled the union's job safety activities.

A Democratic Future

Free Elections Held Key To El Salvador Solution

Only free parliamentary elections can provide a political solution and end the strife in El Salvador, the AFL-CIO told a congressional panel studying the situation in that troubled Central American country.

"Only a democratic form of government can provide the framework for a life with bread, peace, and freedom," Executive Director William C. Doherty, Jr., of the American Institute for Free Labor Development declared in an appearance before the Senate Foreign Relations Committee.

DOHERTY WELCOMED the U.S. government's action in pressing for early parliamentary elections, scheduled now for Mar. 28. "Our role there is of vital importance in the development of democracy and, by extension, to the development of pluralistic societies throughout Central and South America," he told the committee.

Doherty cited the AFL-CIO's basic policy on El Salvador, reiterated in a resolution adopted at its centennial convention last November, demanding an end to right-wing terrorism and death squads. The resolution also insists on the land reform program initiated in that country in October 1979.

AIFLD's role in the land reform process stems from its long association with the Union Comunal Salvadorena (UCS), a 110,000-member campesino union affiliated with the Inter-American Regional Organization of Workers.

"OUR EFFORT on behalf of the UCS represents the major contribution of AIFLD to the solution of the problems of El Salvador," Doherty observed.

"Land reform is a key program for several reasons," he said.

"First, it is required as a matter of simple justice without which the vast majority of the people would have been compelled to live out their lives in a semi-feudal system of near slavery, completely dominated by the wealthy landowners.

"Second, it is required economically to increase production and productivity and to assure a more equitable distribution of wealth. And thirdly, it is politically required to guarantee that a major tension, that of the landless striving for land, be eliminated as a challenge to stability."

Neither the AFL-CIO nor AIFLD is completely satisfied with what is occurring in El Salvador, said Doherty.

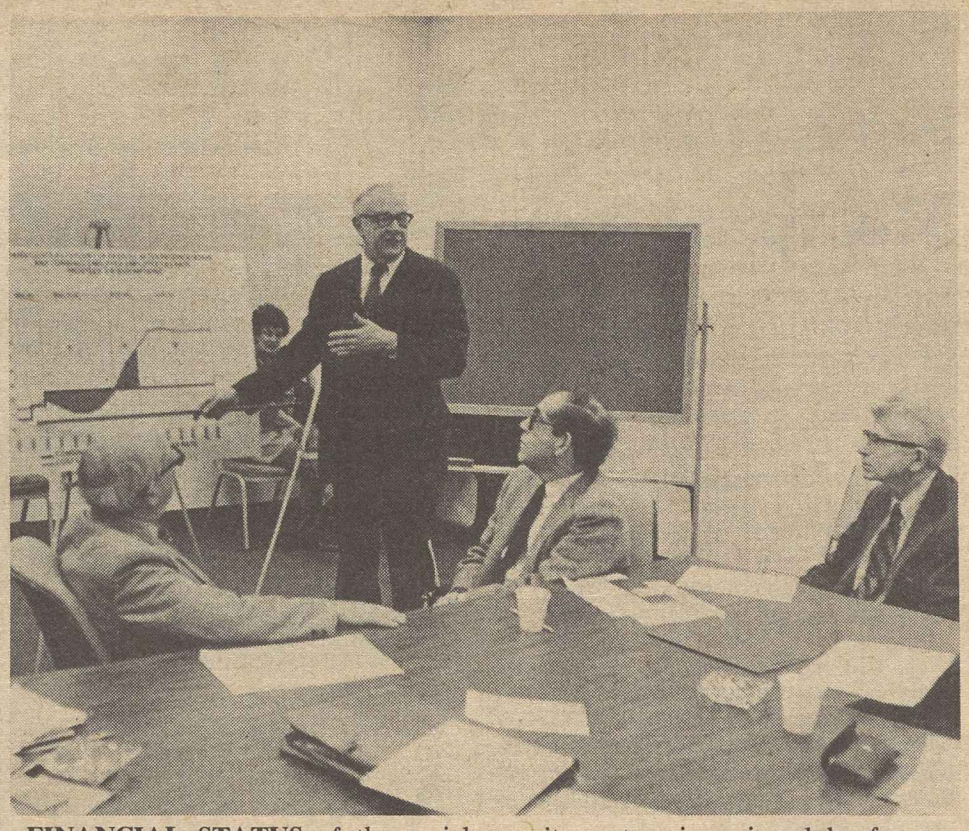
The USC and the campersinos are on the right track but more pressure, perseverance, and patience will be required to achieve their goal of a free and democratic society in that country, he said.

Peruvian Workers Open Meany Health Center

Lima, Peru—The George Meany Medical Center, established by the Confederation of Peruvian Workers (CTP) with technical assistance from the AFL-CIO, was formally dedicated here recently.

On hand for the ceremonies were government representatives of the United States, Peru, Canada, Israel, Egypt, Norway, and Sweden as well as Peruvian legislators, rectors of local universities, and national labor leaders.

Operated by the CTP's Association of Protection for Family Welfare, the new health center provides services in the areas of pediatrics, gynecology, odontology, and general medicine. It also offers laboratory analyses and pharmaceutical services, and runs a food distribution program for the needy.



FINANCIAL STATUS of the social security system is reviewed by former Social Security Commissioner Robert M. Ball at a meeting of the AFL-CIO Standing Committee on Social Security, which explored the impact of Reagan Administration cutbacks in federal entitlement programs. Also attending the session was Wilbur S. Cohen, former secretary of the Dept. of Health, Education & Welfare, who heads the Save Our Security coalition of labor, senior citizens and religious groups. The federation's social security committee is chaired by Vice President Sol C. Chaikin.

Public Sector Unions Ask Pension Rights Safeguard

Public sector unions urged Congress to legislate pensions safeguards for state and local government employees comparable to protections accorded workers in private industry.

The AFL-CIO Public Employee Dept. welcomed a bill introduced by Rep. Phillip Burton (D-Calif.) as a needed assurance that public sector workers will receive the full retirement benefits "provided in collective bargaining agreements and promised as conditions of employment."

BURTON IS chairman of the House Labor-Management Relations subcommittee holding hearings on the issue and his bill is along lines that had been urged in an AFL-CIO convention resolution.

President Gerald W. McEntee of the State, County & Municipal Employees said state and local pension plans commonly lack reporting and disclosure safeguards and provide inadequate protection against conflicts of interest.

He and other union witnesses indicated their preference for the Burton bill over a version introduced by Rep. John N. Erlenborn (R-Ill.), which has some features in common.

Service Employees President John J. Sweeney, whose union represents some 250,000 public workers, termed the regulation and safeguarding of public pensions funds "a national concern." He noted that more than 11 million public employees and retirees are covered by more than 6,600 separately administered state and local government retirement plans.

RELATIVELY FEW employees receive adequate descriptions of their pension plans, Sweeney noted, and "large segments of the assets held by pension plans are managed in the interest of those who control the funds rather than in the interest of those whom the funds are intended to benefit."

Partly because of lack of fiduciary responsibility requirements, which the Burton bill seeks to remedy, investment returns on public retirement funds are often very low, Sweeney testified. And especially considering that most public retirement funds require contributions by employees, benefits are often "incredibly low."

Steven L. Pruitt, congressional affairs representative of the Public Employee Dept., stressed that pension rights represent "the deferred wages of workers" and funds should be administered with the concerns of employees foremost.

HE URGED, however, that federal law not be made so restrictive as to become "a barrier against innovations and improvements" in pension programs.

The Burton bill, he suggested, should be "the base" for public sector pension legislation that would "ensure that the participation requirements are reasonable and that future benefits are protected against inadequate financing."

California Labor Asks Ban On 'Guest Worker' Program

Los Angeles — California labor organizations are supporting legislation to keep the administration's proposed federal "guest worker" programs from operating in the state.

At a hearing held by the state Assembly's Labor & Employment Committee, Los Angeles County AFL-CIO President J. J. Rodriguez urged the legislature to pass a bill that would prohibit state and local agencies from participating in any such guest worker program.

THE ADMINISTRATION'S plan, introduced in the U.S. Senate by Sen. Strom Thurmond (R-S.C.) would permit up to 50,000 Mexican workers into the U.S. each year to work for up to two years. The bill would give states the option of refusing to participate in the program.

Assemblyman Richard Alatorre of Los Angeles has introduced the bill to remove his state from the program even though Congress has not yet acted.

Alatorre called the Reagan Administration measure a ploy to further the Administration's "anti-union strategy." Guest workers would be "a new class of bonded laborers," who would take jobs away from U.S. workers because they would accept lower wages and fewer protections, he charged.

Rodriguez compared the Administration's proposal to the now defunct "bracero" program. That system, which operated from the period of World War II until 1964, allowed U.S. employers to bring in Mexican farm workers on what was intended to be a temporary basis.

THE BRACERO program was "successful in only one respect—for employers in agriculture who exploited Mexican farm workers, and it worked to keep farm workers exploited by ruining any hopes of unionization," the county labor federation president testified.

The president of the Los Angeles chapter of the Labor Council for Latin American Advancement, Jim Rodriguez, told the committee it is "inconceivable" that the Reagan Administration is considering the importation of foreign workers during a time of record unemployment.

HE CITED statements by a former administrator of the bracero program who had branded it "legalized slavery," and "nothing but a way for corporate farms to get a cheap labor supply from Mexico under government sponsorship."

Clothing & Textile Workers representative Ruth Miller and Ladies' Garment Workers representative Max Wolf stressed that their industry was suffering severe job shortages rather than labor shortages, refuting Administration claims that guest workers were needed to fill jobs that U.S. workers would not accept.

Patrick Henning, California's labor commissioner, among the 35 people testifying in favor of exempting California from the program, said a guest worker program in the state was "tantamount to throwing gasoline on an uncontrolled blaze."

The President's program, he charged, would "depress wages, increase competition and lead to the exploitation of foreign and domestic workers alike."

AFL-CIO Sets Dates for 1982 Region Meetings

AFL-CIO President Lane Kirkland announced the schedule of 1982 regional conferences the federation will hold with state and local AFL-CIO council officers and other union officials.

The seven meetings will focus on labor's political programs and preparations for this year's state and congressional elections.

MEETINGS ARE scheduled for:

March 16-17, Dearborn, Mich., to include Indiana, Iowa, Michigan, Minnesota, Ohio and Wisconsin;

March 19-20, Louisville, Ky., to include Delaware, the District of Columbia, Illinois, Kentucky, Maryland, North Carolina, Pennsylvania, Virginia and West Virginia;

March 30-31, Phoenix, Ariz., to include Arizona, Colorado, Nebraska, Nevada, New Mexico, North Dakota, South Dakota, Utah and Wyoming.

April 2-3, Seattle, Wash., to include Alaska, California; Hawaii, Idaho, Montana, Oregon and Washington;

May 4-5, Birmingham, Ala., to include Alabama, Florida, Georgia, South Carolina and Tennessee;

May 7-8, Houston, Tex., to include Arkansas, Kansas, Louisiana, Mississippi, Missouri, Oklahoma and Texas; and

May 21-22, Hartford, Conn., to include Connecticut, Maine, Massachusetts, New Hampshire, New Jersey, New York, Rhode Island and Vermont.

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2/13/82

Council Calls for Reversal Of Reagan Economic Plan

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SPIRITED EXCHANGE of views marked the meeting of Vice President George Bush with the AFL-CIO Executive Council at the council's winter session in Bal Harbour, Fla. Federation President Lane Kirkland said the discussion was "civil and good-hearted" but clearly brought out the policy differences between the Administration and organized labor.

Labor's Alternative Keyed To Job Growth, Tax Equity

By John M. Barry

Bal Harbour, Fla.—The AFL-CIO called for reversal of President Reagan's recession-breeding economic policies and responded to his challenge by presenting an alternative program designed to create jobs, restore fairness to the tax structure and sharply reduce the President's projected budget deficit.

"We are proposing a straightforward attack on unemployment—the fundamental sickness produced by Reaganomics," Federation President Lane Kirkland said at a news conference as he reviewed the economic policy statement adopted at the opening session of the Executive Council's winter meeting here.

The council's program totally rejects the Administration's proposal to slash $41 billion more from basic social programs and outlines a series of "well-proven" job-creating measures that would cost an estimated $23 billion.

THIS $64 BILLION would be offset by $31 billion in added revenue from repeal of "the worst tax giveaways" to the wealthy and corporations in last year's tax law and by a progressive surtax on individual and corporate income to finance increases in defense spending, currently proposed by the Administration at $33 billion. **(Story, this page.)**

In addition, the council statement urges Congress to close a number of tax loopholes, largely benefiting big corporations, so as to reduce by some $47 billion the huge deficit anticipated by the Administration. **(Text, Page 5.)**

"THE AFL-CIO is convinced its alternative economic program will put the nation on a path to full employment, stable economic growth, fairness in sharing burdens and a society with compassion for those who have too little," Kirkland declared.

The economic policy statement, titled "An Alternative to Reaganomics," was adopted unanimously following a presentation by Research Director Rudy Oswald of an analysis of the Administration's policies and proposals and a separate report on the development of the current recession.

Other council statements focused on particular aspects of the current economic slump—tight money and the resulting high interest rates, the flood of job-destroying imports, and the housing crisis.

IN OTHER action, the council mourned the death of Vice President Jerry Wurf and elected Gerald W. McEntee, Wurf's successor as president of the State, County & Municipal Employees, to fill the council vacancy.

The council spent an hour in a vigorous discussion with Vice President George Bush on the differences between the Administration and the federation, and also heard a presentation by Benjamin Hooks, executive director of the NAACP, on the

(Continued on Page 3)

Civil Rights Progress Held Endangered

Bal Harbour, Fla.—The Reagan Administration's efforts to undermine a generation of civil rights progress achieved through law, if successful, would result in an "incalculable social and political loss" for the nation, the AFL-CIO warned.

The Reagan program consists of "one part Administration policy hostile to civil rights and one part Administration appointment of individuals with no interest in advancing and protecting these rights," the Executive Council charged.

"The Republican President's soothing assurance that 'he does not have a discriminatory bone in his body' is no substitute for enforcement action by the Executive agencies and the courts," the council said.

IT PLEDGED that the AFL-CIO will work with its allies in the Leadership Conference on Civil Rights to defend the civil rights programs and policies now under attack by the Administration.

Specifically, the council urged:

- Prompt enactment of the House-passed bill, now before the Senate, to extend and clarify the Voting Rights Act.
- Administration reinstatement of an Internal Revenue Service rule denying tax exemptions to private schools that discriminate.
- Opposition to legislative attempts to deny the Judicial Branch its role in protecting fundamental constitutional rights.

IN ADDITION, the council said that AFL-CIO unions will continue through collective bargaining to institute voluntary affirmative action programs to help secure civil rights for all.

(Continued on Page 8)

Spreading the Burden

Surtax Sought to Cover Higher Defense Costs

Bal Harbour, Fla. — Organized labor's long-standing support for a strong national defense does not mean support for an unfairly financed defense budget, the AFL-CIO Executive Council declared as it called for a progressive surtax on income to pay for higher military spending.

The council said in a statement at its winter meeting here that at least a third of the surtax should be "an inescapable levy" on gross corporate earnings.

"IN THIS WAY," the statement said, "defense needs can be met without adding to the federal deficit or cutting food stamps, unemployment benefits, job and training programs, mass transit, or other already battered social programs."

The council reaffirmed the AFL-CIO's conviction that a healthy American economy can meet the nation's needs for both a strong military arm and essential social programs, thus satisfying the Constitution's dual mandate to provide "for the common defense" while promoting "the general welfare."

"But we do not have such an economy today," the council statement observed. It charged that the Republican Administration's economic policies, by inducing the current recession, had "set the stage for a revival of the destructive 'guns versus butter' debate; and it has made its own choice clear: guns, not butter."

THE ADMINISTRATION'S approach to the budget would transfer billions of dollars from social programs to defense spending, "while preserving intact its $750 billion tax giveaway," the council said.

"It has chosen to place the defense burden squarely on the backs of working Americans and the poor, and to minimize the burden of those who derive the maximum benefits from our economic system."

In the light of these economic and political factors, Congress must submit the defense budget to "the same close scrutiny that social programs have always undergone," the statement declared.

WITH THE council's approval, AFL-CIO President Lane Kirkland designated a committee to evaluate the defense-spending proposals in the Reagan budget and report back with recommendations. Members of the panel are Federation Vice Presidents John H. Lyons, chairman, William W. Winpisinger, Charles H. Pillard, Kenneth T. Blaylock, Martin J. Ward, Albert

(Continued on Page 6)

Job Security Key in New Ford Pact

A contract designed to give Ford workers greater job security and help the company survive won the overwhelming endorsement of the Auto Workers Ford Council and is being submitted to union members for ratification.

The Ford Council, made up of UAW local leaders, approved a new 31-month contract negotiated Feb. 13, more than seven months before the expiration of the current agreement. Only 12 of the 144 Ford Council members present at the Chicago meeting voted against the contract. If ratified in voting at union halls this month, it will take effect Mar. 1. UAW members on layoffs, as well as the 105,000 Ford workers still employed, are eligible to vote.

Under the agreement, UAW members will give up personal holidays now provided and the annual 3 percent pay raise. Cost-of-living adjustments would be deferred for 18 months.

IN RETURN for the concessions, Ford would provide job assurances including a two-year moratorium on plant closings related to movement of production to non-union plants, income guarantees for workers with 15 years of service or more, and improved funding for supplemental unemployment benefits. Ford would also set up a profit-sharing plan in 1983.

The new contract, which would supersede the union's current agreement with Ford and run through September 1984, was reached after two weeks of negotiations. Earlier talks between the union and General Motors Corp. broke down.

Both UAW President Douglas A. Fraser and Ford Chairman Philip Caldwell said the agreement marked a new approach to labor relations in the automobile industry. The company, which reported losses of over $1 billion last year, said that lower labor costs will help it survive. The union for its part achieved a key goal of greater job security for its members.

MEANWHILE, there were these other industry developments:

- Fraser, who is also a member of the board of the Chrysler Corp., said Chrysler had agreed to sell its profitable defense division to the General Dynamics Corp. to raise funds for its auto operation. The sale is subject to Pentagon approval.
- General Motors announced it is closing down two plants, at Fremont, Calif., and South Gate, Calif., indefinitely due to

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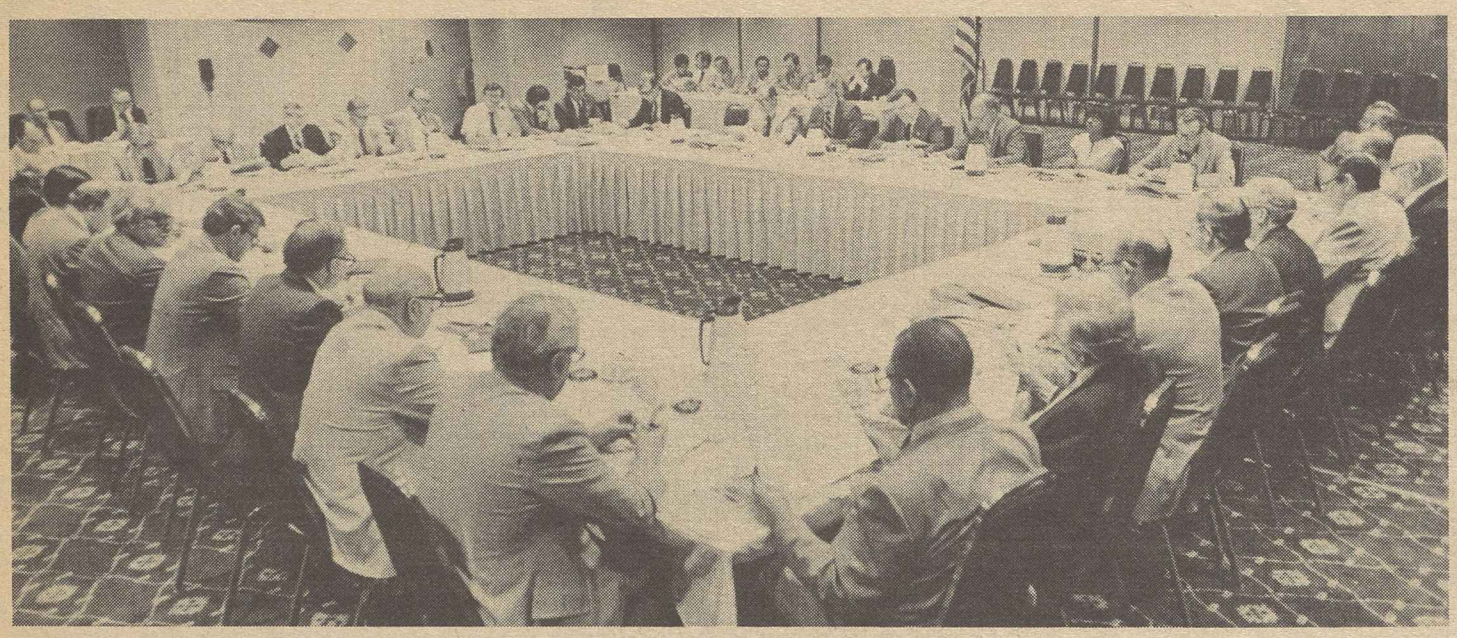

LABOR'S ALTERNATIVE to the Reagan Administration's economic policies was set forth by the AFL-CIO Executive Council at its winter meeting in Bal Harbour, Fla. The program met the challenge of President Reagan that those who are unhappy with his budget cuts and tax giveaways should come up with something better.

High Interest Squeeze Tied To Inflation, Unemployment

Bal Harbour, Fla.—The AFL-CIO called upon the Administration, Congress, and the Federal Reserve Board to balance monetary and tax policy, bring down interest rates, and ensure the availability of credit for productive investment leading to full employment, reduced inflation, and balanced economic growth.

Specifically, the federation's Executive Council asked Congress to insist that the Federal Reserve Board abandon its tight-money policies and meet the requirements of the 1978 Humphrey-Hawkins Act. The measure requires the Fed to set annual goals for the growth of the nation's money supply and credit consistent with full employment, balanced growth, and lower prices.

"THE BOARD has not fulfilled this requirement," the council said. Instead, it charged, the board has followed a tight-money policy—endorsed by President Reagan—that has resulted in severe economic damage to the country.

"Instead of dealing with the causes of inflation, tight money has been and continues to be an inflationary factor as the resultant high interest rates are being passed on to consumers in price increases," the council charged. "High interest rates reduce purchasing power, and cause steep increases in unemployment and business failures."

While the recession temporarily brought down record high interest rates last fall, continued tight-money policies have forced up short-term interest rates again, the AFL-CIO observed. Long-term interest rates are back at near-record rates, above 16 percent for corporate bonds and 17 percent for mortgages.

SUCH RATES dampen business investment and decimate housing construction, the council pointed out. At 17 percent, payments on a $50,000 mortgage over 30 years would be about $257,000, or about $100,000 more than at a 10 percent rate.

"High money costs have devastated interest-sensitive industries, like housing and automobiles and their supplier industries," the council said in a statement.

AT THIS time of low credit availability, the council charged, the Administration has turned a blind eye on the "unconscionable" use of credit for non-productive corporate acquisition, commodity speculation, and foreign investment. The net effect of the Administration's monetary program, the federation said, has been to curtail funds for small borrowers sharply while big investors have access to funds worldwide.

Under the Credit Control Act of 1969, the council noted, the President can authorize the Federal Reserve Board to regulate and control credit. President Carter's exercise of this authority for a few months in 1980 helped reduce interest rates and stimulate housing construction.

The council urged the President and the Federal Reserve Board again to exercise the authority of the 1969 statute, and it asked Congress to make the Credit Control Act—scheduled to expire this June—permanent.

College-Bound Facing Social Security Cutoff

High school seniors receiving social security benefits—mostly as surviving dependents of a parent who died—will have to enroll in college by May 1 to beat a deadline for discontinuance of student benefits beyond high school.

The cutback was mandated by Congress last year at the urging of the Reagan Administration, and House Ways & Means Committee Chairman Dan Rostenkowski (D-Ill.) is concerned that many graduating seniors are unaware of it.

He urged the Social Security Administration to notify eligible families of the change in law so that college-bound students can seek to arrange for early enrollment, which some institutions are allowing.

McEntee Elected New AFL-CIO Vice President

Bal Harbour, Fla. — State, County & Municipal Employees President Gerald W. McEntee was elected an AFL-CIO vice president at the Executive Council's winter meeting here.

His election fills the council vacancy left by the death last December of AFL-CIO Vice President Jerry Wurf, who was McEntee's predecessor as president of the million-member public employee union.

McENTEE, 46, had been elected president of AFSCME by the union's executive board for the remainder of Wurf's term, which is up in mid-1984.

At the time of his election, McEntee was executive director of the union's 75,000 member Council 13, a post he had held since 1973. He had also been a vice president of AFSCME since 1974.

McEntee, a native of Philadelphia, has a degree in economics from LaSalle College. He began working for AFSCME as an organizer in 1958. He had a key role in the campaign that led to the organization of Pennsylvania's state employees.

THE AFL-CIO Executive Council adopted a resolution of tribute to Wurf as "one of the most dynamic and tireless voices of the American labor movement" whose leadership "made the union he headed . . . a model of democratic trade unionism" and whose service on the AFL-CIO council "contributed to the entire labor movement."

Wurf, who died at 62, was saluted for guiding the growth of the union from 240,000 to nearly 1 million members during his presidency which began in 1964.

He helped "a generation of government workers throw off second-class citizenship and enjoy the full benefits of union membership," the council declared.

And always, the Executive Council noted, "Jerry Wurf marched as an unswerving advocate of civil rights."

Housing Cuts Fuel Crisis in Construction

Bal Harbour, Fla.—Congress should reject proposed Administration cuts in housing programs, and provide the funds needed to meet the nation's housing needs, the AFL-CIO urged.

"The housing industry is in a crisis as a result of the Reagan Republican Administration's tight money and budget slashing policies," the Executive Council said. It noted that fewer new housing units were built last year than in any year since 1946, and joblessness in the industry is one of the highest in the nation.

MORTGAGE RATES of 16 to 18 percent have priced most Americans out of the housing market, the council observed. Instead of taking steps to revitalize housing through such programs as below-market interest rate subsidies, as in other recessions, the Administration is moving in the opposite direction, the AFL-CIO noted.

"The basic support programs for middle-income housing are under Administration attack," the council charged. It pointed out that the Federal Housing Administration is to be cut, and the Government National Mortgage Association is to be phased out. The rural housing program also is being slashed, and Administration budget proposals would replace most low-income housing construction programs with a housing voucher scheme that would add no new housing units.

UNEMPLOYMENT in construction last month amounted to 946,000 workers, or 18.7 percent, accounting for one out of every eight unemployed workers in the nation. An equal number has become jobless in the production and distribution of lumber and bricks, glass and steel, plumbing and heating equipment, furniture and home furnishings, home appliances, and other building materials and components.

"Thus, one out of every four unemployed workers has been in construction or construction-related employment," the council observed. "Revitalization of housing and construction would put millions of Americans back to work."

TO PROVIDE adequate housing for Americans and to help revive the economy, the AFL-CIO urged Congress to take the following actions:

- Fund construction of 250,000 low-income new and rehabilitated housing units a year to meet national low-income housing needs.
- Provide a level of operating subsidies to maintain adequately the existing stock of public housing.
- Continue the FHA mortgage insurance, GNMA guarantees, and rural housing loans at their current levels.
- Restore below-market mortgage interest rate subsidy programs for middle-income families.

The council also urged the President and the Federal Reserve Board to use their authority under the 1969 Credit Control Act to ensure adequate credit at affordable rates for housing and other construction projects, as well as for other domestic priorities.

Voodoo Policies Conjure 'Jonestown Economics'

Bal Harbour, Fla.—"Voodoo economics" has given way to "Jonestown economics."

That was the term AFL-CIO President Lane Kirkland applied to the Reagan Administration's economic policies in a parting exchange with Vice President George Bush at the conclusion of Bush's meeting with the Executive Council.

KIRKLAND TOLD reporters at his Feb. 16 news conference that the only point of agreement between Bush and the council came when Vice President Vincent Sombrotto said he had found Bush "persuasive" when he referred to candidate Ronald Reagan's economic policies as "voodoo economics."

Kirkland said that the Vice President responded in a spirited way, insisting that he had applied the term only to the Kemp-Roth tax cut proposal advocated by Reagan, and not to the total economic program that today includes the tax cut, sharp reductions in federal spending and deregulation.

At that point, Kirkland commented that while it may not be voodoo economics, he regarded it as "Jonestown economics," a budget program that "administers economic Kool-Aid to the poor and the deprived and the unemployed of this country."

PRESSED BY reporters to expand on the exchange, Kirkland said it was not a perfect analogy to the 1978 massacre in Jonestown, Guyana. But he said the term was "commensurate" with the suffering caused by the Administraion's economic policies.

"When you drive people out of work," Kirkland said, "when you cut their unemployment benefits, when you eliminate Trade Adjustment Assistance for those who've been thrown out of work by imports, when you cut back on aid to families with dependent children, when you strip the federal government of those humanitarian functions that are designed to build and maintain a decent society and give people at the lower end of the ladder a helping hand—I say it's destructive and harmful, of not only this generation but of future generations."

Kirkland said the meeting with Bush, whom President Reagan has designated to maintain liaison between the Administration and organized labor, developed into "a spirited exchange of views in which he set forth his position vigorously and aggressively, and the members of the council responded in the same style. It was civil and good-hearted, but it clearly brought out that there are fundamental differences. We simply disagree on many of the main, basic issues that face this country."

ASKED IF either side derived any benefit from the meeting, Kirkland said there are always benefits from such discussions.

"I've hoped that as events evolve—and as the inevitable consequences of pursuit of error become more and more clear—that even they will have to conclude that an alternative course might be examined and pursued.

"It's good to have the meetings and the relationships, the opportunities. I don't particularly enjoy just talking to people that I agree with. I like to have argument, discussion, dialogue. That's the way we live. That's the nature of our environment."

Labor Pushes Attack on Reaganomics

Council Bases Alternative On Job Growth, Tax Equity

(Continued from Page 1)

tasks and problems facing the labor-civil rights coalition. Reports also were given by Legislative Director Ray Denison on the congressional outlook and by Dr. William Young, media consultant, who discussed the television monitoring project sponsored by the Machinists, Operating Engineers, and the Bakery, Confectionery & Tobacco Workers.

IN CONNECTION with its statement on imports, the council acted to reconstitute the subcommittee on trade of its Economic Policy Committee. Named by Kirkland to serve on the panel were Vice Presidents John H. Lyons, William W. Winpisinger, Charles H. Pillard, Murray Finley, Sol C. Chaikin, Lloyd McBride, Douglas A. Fraser, Frank Drozak and David J. Fitzmaurice.

In other areas, the council reaffirmed its opposition to the nomination of John Van de Water as chairman of the National Labor Relations Board, sharply critized the Reagan Administration for its civil rights failures, and noted the 100th anniversary of the birth of Franklin D. Roosevelt, calling on all Americans to honor his memory.

The council's economic statements pinned direct responsibility for the recession on the Reagan Administration, declaring that it "cannot blame anyone else."

"The recession was started in July 1981 with Reagan's job-destroying tight-money, budget-slashing policies," the council statement said. "These policies must be stopped. Anti-recession, job-creating programs must be started immediately."

THE STATEMENT proposed a number of steps to help turn around the recession by providing jobs and easing hardships on the unemployed:

- Investment in public works—the "infrastructure for the nation's deteriorating communities"—including sewer, highway, bridge, mass transit, railroad and other needed facilities.
- Investment in "human capital" through effective job training programs for the unemployed and public employment for the long-term jobless.
- Encouragement of low- and moderate-income housing.
- Creation of a Reconstruction Finance Corp. to rebuild the nation's industrial base with special loans, grants or guarantees to depressed areas and industries.
- Limitations on harmful imports that aggravate the impact of the recession and weaken key industries.
- Extension of unemployment benefits to protect the long-term unemployed.

IN RESPONSE to reporters' questions, Kirkland pointed out that programs to put workers back on the job could be a major factor in reducing the heavy budget deficits forecast by Reagan and his economic advisers. He noted that every one percent reduction in unemployment means $30 billion to the federal government in added revenues and lower costs.

"So, obviously, if you reduce unemployment by 3 percent, you produce $90 billion to apply on the deficit," he said. "That's the way we'd like to see (the budget) balanced. And I don't believe we'll ever achieve balance until we do begin to follow policies and programs that rebuild and revive the industrial base of this country and put people back to work."

As for the President's deficit projection of $91.5 billion for the 1983 fiscal year, Kirkland expressed disbelief, citing the substantially higher estimates of the Congressional Budget Office.

"Once again," he said, "they've done a little cooking of the books and developed some acceptably rosy expectations. . . . At best, it's a triumph of hope over experience."

TO ACHIEVE its optimistic forecast, the Reagan Administration chose not to counter the deepening economic decline, the council statement noted, but has instead "cut unemployment insurance benefits, reduced employment and training programs and welfare assistance at the same time it has destroyed more than one million jobs, putting more people on the streets in search of help that's not there.

"One has to look back 50 years to see such a heartless official reaction to the hardship and suffering of millions of unemployed Americans."

The statement cited other program slashes proposed by the Administration, ranging from Medicare for the elderly to child care for the young, all having a heavy impact on workers and the poor.

The council said the "unfair and excessive tax giveaways" in last year's tax law must be reversed "to achieve greater equity, pay for the anti-recession program and reduce the runaway Reagan deficits."

SPECIFICALLY, it called for a cap of $700 per family on the 1982 and 1983 individual income tax cuts, which would save $20 billion in revenue. Other measures would be repeal of the leasing of tax credits by corporations and of the new loopholes in the windfall profits tax on oil, tightening of the liberalized estate and gift tax provisions, and repeal of the future indexing of tax rates.

In addition, the council said defense spending "should be scrutinized carefully," and any increase found necessary should be paid for with a separate progressive surtax on individuals and corporations.

These tax changes would be enough to offset cancellation of Reagan's budget slashes and to finance the proposed new job-creating programs.

TO ACHIEVE as much as $47 billion in revenue to narrow the budget deficit, the council called for closing a number of other tax loopholes enjoyed by big business and the wealthy.

The council charged that the Administration's "huge tax giveaways" to the wealthy had "saddled monetary policy with an unbalanced fiscal policy," placing a heavy strain on monetary policy with resulting high interest rates that further worsen the nation's recession.

The statement called on the President and the Federal Reserve Board to exercise their authority to control credit so as to channel funds where they are most needed.

The council also rejected the Administration's plan for "urban enterprise zones" that would give special tax breaks and exemption from certain regulations to businesses locating in stricken areas.

THIS WOULD create "new sub-classes of citizens," the council said. It urged instead strengthening programs that "directly address the problems of unemployment and deteriorating neighborhoods."

Kirkland told reporters that labor will press its case for the alternative economic program with Congress.

"The issue is not resolved by whether or not President Reagan agrees with us," he said, "and I am hopeful that either this year or following the next elections, we'll have a Congress, at least, that might be more responsive to the needs of the people and their equitable considerations."

He said the AFL-CIO has no special strategy for persuading members of Congress to change their minds or adopt labor's view, other than the "force, vigor and logic" of its arguments supplemented by "expressions from their home constituencies that it would be politically advantageous for them to do so."

NEW VICE PRESIDENT of the AFL-CIO, President Gerald W. McEntee of the State, County & Municipal Employees, right, is welcomed to the Executive Council by President Lane Kirkland and Sec.-Treas. Thomas R. Donahue. McEntee was elected unanimously to fill the council vacancy caused by the death last December of Jerry Wurf, his predecessor as AFSCME president.

Balance Sheet for Labor's 'Alternative to Reaganomics'

Here, in summary form, is how the AFL-CIO proposes to increase federal tax revenues and finance needed programs to create jobs, meet public needs and expand the economy:

Increased Revenues

From Revisions of Tax Law

	(in billions)
Cap the 1982 and 1983 individual tax cuts at $700 per family	$20
Repeal the leasing of tax credits by corporations	8
Repeal the new loopholes in the oil windfall profits tax	2
Modify the widened state and gift tax provisions	1
Repeal the future indexing of tax rates	—
Total	$31 billion

From Savings

Scrutinize defense outlays and finance any required increases with a corporate and individual surtax	
Current proposed defense budget increase	$33
Total	$33 billion
Total of Increased Revenue & Savings	**$64 billion**

Necessary Outlays

New Jobs Programs

	(in billions)
Invest in public infrastructure for the nation's deteriorating communities, including sewer, highway, bridge, mass transit, railroad, and other needed facilities	$ 5
Invest in human capital through effective training of the unemployed and provide public employment opportunities for those who still cannot find work	5
Encourage low- and moderate-income housing	5
Establish a Reconstruction Finance Corporation to rebuild the nation's industrial base by aiding sectors of the economy and of the country that need special assistance through loans, grants or guarantees	4
Limit harmful imports that aggravate the impact of the recession.	No Cost
Extend unemployment insurance benefits to protect the long-term jobless	4
Total	$23 billion
Restore proposed budget cuts	$41 billion
Total	$41 billion
Total New Jobs & Restoring Budget Cuts	**$64 billion**

Additional Revenues

Closing Tax Loopholes

	(in billions)
Change the foreign tax credit to a tax deduction	$10
Repeal the foreign tax deferral privileges	1
Repeal the tax deferrals of the Domestic International Sales Corporation (DISC)	2
Repeal the immediate write-off of oil and gas drilling costs and the special depletion allowances	6
Reduce the investment tax credit to its former levels	7
Apply the lower corporate income tax rates only to corporations with profits of less than $100,000	9
Phase out the special capital gains exclusions	6
Repeal the special capital gains at death exclusions	6
Total	$47 billion
Total Additional Revenues from Closing Loopholes	**$47 billion**

Paying for Defense

THE AFL-CIO is convinced that the American economy can sustain a strong national defense without shortchanging vital social programs that reflect the humane values of our people and that make our society worth defending.

We reject the idea that Americans must choose between guns and butter—between those words of the Constitution providing "for the common defense" and promoting "the general welfare." Both of these constitutional mandates can be supported by a healthy and growing economy, fully employing the human and material resources of the nation.

But we do not have such an economy today. We are in a deep recession induced by the Reagan Administration's economic policies, and we face the long-term prospect of high unemployment, low economic growth, huge federal deficits, and drastically curtailed social services.

Thus, the Republican Administration, through its economic policies, has deliberately set the stage for a revival of the destructive "guns versus butter" debate; and it has made its own choice clear: guns, not butter.

INSTEAD OF financing defense increases through equitable taxation, it has chosen to transfer billions from social spending to defense, while preserving intact its $750 billion tax giveaway. It has chosen to place the defense burden squarely on the backs of working Americans and the poor, and to minimize the burden on those who derive the maximum benefits from our economic system.

The AFL-CIO's long-standing support for a strong national defense does not oblige us to support a defense budget that is unfairly financed. Nor does our opposition to such financing compel us to join those who see little need for improving U.S. military capability and, therefore, urge deep cuts in defense spending to finance social programs.

We do insist, given the economic and political considerations imposed by the Administration, that the defense budget be subjected to the same close scrutiny that social programs have always undergone.

A detailed analysis of specific weapons systems or of highly technical military issues is not within the special competence of the labor movement. But given the budgetary, economic, and social effects of defense spending on American workers and their families, we have a right and an obligation to address the broad defense issues confronting the nation.

MEANWHILE, the AFL-CIO insists that should Congress determine that higher levels of defense spending in fiscal 1983 are required, this increase should be fully financed by a progressive surtax on income. At least one-third of this tax should be provided by an inescapable levy on gross corporate earnings. In this way, defense needs can be met without adding to the federal deficit or cutting . . . already battered social programs.

Rather than distribute the defense burden fairly, the Reagan Republican Administration risks creating new anti-defense constituencies among working Americans and all who look to their government to "promote the general welfare." Nothing could be more threatening to our national security.

—From a statement by the AFL-CIO Executive Council, Feb. 15, 1982, Bal Harbour, Fla.

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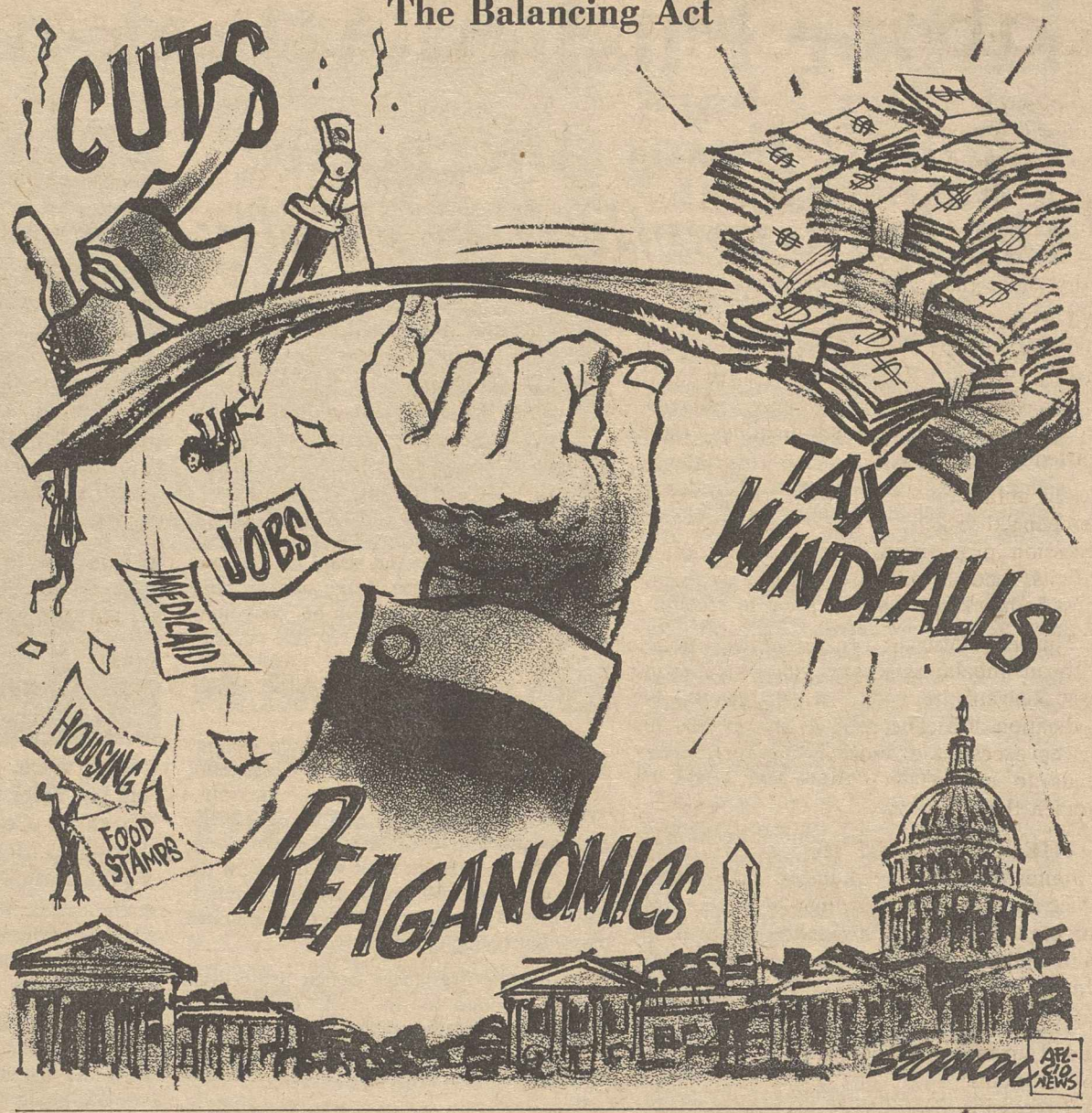
The Balancing Act



Untapped Agricultural Wealth

Land Reform in Poor Nations Key to Feeding Hungry World

By Gus Tyler

IF THE HUNGRY of the world are to be fed, it can only be done by the presently poor countries of the world. The great bread baskets of the earth—the United States, Canada, Australia and India—cannot be counted on forever to provide the food.

That is the sober, almost somber, conclusion of Orville Freeman, former Secretary of Agriculture of the United States, and present chairman of Business International. "Only if the developing countries—where population growth is taking place and where the majority of the planet's people now live—increase their production sharply can the food-people crisis be met," he says.

FREEMAN BELIEVES that the miracle can come to pass. "Only one-half of the world's good, arable land is actually being farmed" at present. Even where land is being worked, "productivity is at a level only one-third of demonstrated potential."

If the rest of the world were to use its arable land to produce in the same way as a typical Iowa corn farm, enough could be grown to feed ten times the present population of the globe.

Freeman does not expect the world to turn to the American way of large-scale farming. "The main thrust in the developing countries should be to reach out to the small landholder, the one-to-five-hectare farmer." If they work their land intensively, he says, they could end up "topping even average U.S. yield."

Freeman points to some real successes around the world where some such programs have been tried. He cites the village of Bainan, 30 miles outside Calcutta, where farmers—with holdings ranging from one-sixth of an acre to one acre—within two years realized a "production increase of 1,000 percent and an increase of the farmer's income averaging in excess of 500 percent."

What then stands in the way of other countries doing the same?

IN MANY COUNTRIES a small, empowered class of owners resists all land reform, refusing to surrender any of their holdings. Yet, says Freeman, "a system whereby the producer on the soil benefits directly from his efforts is the single most important element in increasing productivity. In most places of the world, this means producer ownership and requires egalitarian land policies, adequately supported by the government."

The other obstacle to developing agriculture has been an illusion, shared alike by the advanced and developing nations; namely, that the way for the poor countries to get rich quick was by rapid industrialization and the export of manufactured products to the rich countries. In the haste to industrialize, these countries neglected agriculture.

FREEMAN OFFERS a contrary approach. "Agriculture," he says, "is the key to economic development. No country, with the exception of a few city-states, has ever prospered and built a sound economy without a solid agricultural base." His view, spelled out in the Journal of the Institute for Socio-Economic Studies, is a total turnabout in the thinking that dominated "development" policy in the three decades since World War II and has increasingly won favor among those who study the coming crisis in food.

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. . . A Great Injustice To Idaho's Citizens

At a time when Idahoans are united in an effort to revitalize our state's economy, to attract new business and industry to Idaho, and to provide more jobs in areas of the state where they are needed, the introduction of a divisive issue of "right-to-work" does a great injustice to our citizens.

The relationship between Idaho labor and management is sound and based on mutual respect. The out-of-state interests promoting the "right-to-work" issue are sowing dissension.

The bill is detrimental to Idaho's economic health and stability. . . . The record shows that in the states where so-called right-to-work laws exist, the income of working people, union and non-union alike, begins to decline in relation to the national average.

The bill would actually take away an existing right: the right of labor and management to negotiate and agree upon a union-security clause through collective bargaining.

—From a veto statement by Gov. John V. Evans of Idaho, Feb. 11, 1982.

Labor Offers Alternative to Reaganomics

Following is the text of the AFL-CIO Executive Council's statement on economic policy, Feb. 15, 1982, Bal Harbour, Fla.

THE REAGAN ADMINISTRATION economic policies, which caused the current recession, must be reversed. This recession has rapidly become the worst since the Great Depression.

The Republican Administration cannot blame anyone else for this recession. This recession was started in July 1981 with Reagan's job-destroying, tight-money, budget-slashing policies. These policies must be stopped. Anti-recession, job-creating programs must be started immediately.

The unfair and excessive tax giveaways of 1981 must be changed to achieve greater equity, pay for the anti-recession program and reduce the runaway Reagan deficits. And the President's second-round budget cuts must be blocked.

The Administration has saddled monetary policy with an unbalanced fiscal policy resulting from President Reagan's huge tax giveaways to the wealthy. This abdication of fiscal responsibility by the Administration places excessive strain on the monetary system and leads to continued high interest rates that further worsen the recession.

THE CATASTROPHIC economic problems the Administration has created are made even worse by a cruel and regressive ideology which rewards the rich, forgets the jobless, punishes the minorities, ignores the poor and destroys protections for working people, the elderly and the needy.

The President's 1982 State of the Union Message added up to a total disregard for human needs and for the economic and social costs of high unemployment and recession. Nothing in his proposals will help jobless workers or hasten economic recovery. The President's "new federalism" should not divert public attention from the Administration's blatant failure. The President would thrust basic national responsibilities upon the states, which have historically failed their responsibilities. He would undercut the Constitution and turn America back to the chaos of the Articles of Confederation.

In the year since the Reagan Administration has taken office, adult breadwinners and blacks and other minorities have suffered worse unemployment than at any time since the Great Depression of the 1930s.

OFFICIAL STATISTICS concede that some 9.3 million men and women are now without jobs. But the true dimensions of the economic crisis are worse than the unemployment statistics. In addition, another 1.2 million discouraged workers have stopped looking for non-existent jobs. These "hidden unemployed" don't show up in the government's unemployment rate. Another 5.4 million workers want full-time jobs but can find only part-time jobs. These men and women and their families are suffering from reduced workweeks and reduced income.

Today America has nearly 16 million men and women who are suffering serious job loss and income loss. The real unemployment rate is 12 percent.

During 1982, one out of every three people in the labor force, more than 30 million Americans, will suffer some unemployment.

President Reagan tells us to wait. The Reagan Administration accepts the recession as unavoidable and engages in wishful thinking that a trickle-down investment boom will develop by itself in this depressed economy, even though the government's own statistics show that the business community has no such plans.

BUT MILLIONS OF Americans are suffering and cannot afford to wait. Americans need jobs to put food on the table, pay the mortgage or rent and live in dignity.

Instead of acting to counter the deepening economic decline, the Reagan Administration has cut unemployment insurance benefits, reduced employment and training programs, and welfare assistance at the same time it has destroyed more than one million jobs putting more people on the streets in search of help that's not there. One has to look back 50 years to see such a heartless official reaction to the hardship and suffering of millions of unemployed Americans.

The AFL-CIO calls upon the Congress to reverse these economic policies and set the nation on a path to full employment and balanced economic growth.

Oppose Budget Cuts

We urge the Congress to reject the newly proposed budget cuts of $41 billion which follow cuts of $33 billion last year. The serious impact of this new budget on workers and the poor is evident in a partial listing:

- Job training programs would be slashed even further from last year's cuts.
- Trade adjustment assistance would be practically eliminated.
- Railroad workers' retirement, unemployment and sickness insurance would be eliminated as a separate program.
- Medicare benefits for the elderly and severely disabled would be scaled back.
- Federal employment would be cut by 75,000 over the next two years.
- Federal pay increases would be capped at 5 percent, regardless of comparability with the private sector.
- Retirement benefits protections for federal workers would be lowered.
- Housing support for low- and middle-income families would be curtailed or eliminated.
- Maritime construction support (CDS and Title XI) would be eliminated and operating subsidies (ODS) phased out.
- Mass transit aid would be cut.
- Railroad transportation funds (Amtrak) would be reduced.
- Educational help to the disadvantaged would be lowered.
- Vocational education support would be trimmed.
- Student aid and student loans would be cut back even further than last year.
- Economic development aid to communities would be terminated.
- Sewer and water treatment support would be postponed.
- Energy programs would be curtailed.
- Energy assistance to low-income families would be cut.
- Child nutrition would suffer further cuts.
- Welfare and food stamp programs would be sharply curtailed.
- Medicaid for the poor would be further reduced.
- Day care, foster care, adoption and child welfare would receive less.

Raise Revenues

In order to provide the funds for national priorities and basic protections to workers and the poor, as well as to provide funds for new job programs, the AFL-CIO calls upon Congress to undo the worst aspects of last year's tax giveaways to corporations and the wealthy. We also propose the closing of some long-standing tax loopholes.

Specific changes in the 1981 tax law should:

- Cap the 1982 and 1983 individual tax cuts at $700 per family.
- Repeal the leasing of tax credits by corporations.
- Repeal the new loopholes in the oil windfall profits tax.
- Modify the widened estate and gift tax provisions.
- Repeal the future indexing of tax rates.

In addition, Congress should correct these tax loopholes:

- Change the foreign tax credit to a tax deduction.
- Repeal the foreign tax deferral privileges.
- Repeal the tax deferrals of the Domestic International Sales Corp. (DISC).
- Repeal the immediate write-off of oil and gas drilling costs and the special depletion allowances.
- Reduce the investment tax credit to its former levels.
- Apply the lower corporate income tax rates only to corporations with profits of less than $100,000.
- Phase out the special capital gains exclusions.
- Repeal the special capital gains at death exclusions.

Defense expenditures should be scrutinized carefully, and any increases found necessary should be financed by a separate and equitable surtax on corporations and individuals.

Create Jobs

The Congress needs to enact a number of programs to provide jobs, alleviate the suffering of the unemployed, and turn around the worsening recession:

- Invest in public infrastructure for the nation's deteriorating communities, including sewer, highway, bridge, mass transit, railroad, and other needed facilities.
- Invest in human capital through effective training of the unemployed and provide public employment opportunities for those who still cannot find work after lengthy searches.
- Encourage low- and moderate-income housing.
- Establish a Reconstruction Finance Corp. to rebuild the nation's industrial base by aiding sectors of the economy and of the country that need special assistance through loans, grants or guarantees.
- Limit harmful imports that aggravate the impact of the recession and weaken key industries.
- Extend unemployment insurance benefits to protect the long-term jobless.

The Congress should reject the Administration's call for "enterprise zones" that would create new subclasses of citizens and instead strengthen programs that directly address the problems of unemployment and deteriorating neighborhoods.

THE PRESIDENT and the Federal Reserve should exercise their authority to control credit and channel funds to productive purposes, including housing, and to restrict unproductive credit flows for corporate mergers, speculative excesses and foreign investment.

The undue reliance on tight monetary policy, huge budget cuts in social programs, and big tax cuts for the wealthy must be reversed. Tax policy must provide sufficient funds for the nation to fulfill its responsibilities to its citizens, and to provide appropriate balance to the Administration's one-sided monetary economic policy. Budget cuts cannot become an end in themselves—but should be evaluated in terms of justice and need.

The AFL-CIO is convinced that this alternative economic program will put the nation on a path to achieve full employment, stable economic growth, fairness in sharing burdens and a society with compassion for those who have too little.

Joblessness Spells Human Tragedy

The nation's near-depression unemployment rate may be exacting an even greater toll in human tragedies than that indicated by the startling official government reports on layoffs, production cutbacks and plant closings, AFL-CIO Economist Markley Roberts warned.

Hundreds of thousands of American families are in desperate straits, Roberts said, as they suffer not only lost or reduced paychecks, but are now cut off from unemployment insurance, food stamps and other buffers against the effects of joblessness in the wake of the Administration's budget slashes.

HE POINTED out that while government reports show 10 million workers "officially unemployed," at least 6 million more have become so discouraged that they've given up looking for jobs or are working only part time because they cannot find full-time employment.

"When you factor in the families and the impact on them," 30 million or more Americans now have "serious problems" in trying to cope with the severe recession and the highest joblessness since the Depression of the '30s, Roberts asserted. He was questioned by reporters on Labor News Conference, the AFL-CIO produced public affairs program.

ROBERTS CITED unemployment insurance as one of the critical protections in hard economic times that has been affected by the "very restrictive policies" the Reagan Administration has adopted. He pointed out that only a comparative handful of the unemployed are now able to qualify for benefits beyond the basic 26-week period because of the severe reduction of the extended-period protection that the long-term unemployed once had. He said about one-half million jobless workers exhaust their basic benefits each month.

Reporters questioning Roberts were Ann McFeatters, Washington correspondent for the Scripps-Howard Newspapers, and Robert Cooney, editor of Press Associates, Inc.

Surtax Sought For Increased Defense Costs

(Continued from Page 1)

Shanker, Douglas A. Fraser and Frank Drozak.

At a news conference between council sessions, Kirkland rejected the suggestion that the council's statement represents a departure from the federation's position.

"We have been historically pro-defense," he said, and have assumed that "it's safer to err on the side of adequacy in a defense budget.

"THAT'S STILL my view. However, at a time when the defense burden has been so rapidly increased and where there is so little evidence of an underlying concept that can be readily understood by the public . . . a higher degree of skepticism is justified, particularly when this Administration is taking it out of the hides of the poor and exempting the rich."

The council set no specific goal for revenue to be achieved by the proposed surtax, but a fact sheet accompanying its statement noted that the Administration is seeking an increase of $33 billion in the defense budget for fiscal 1983.

WHATEVER increase in military spending is ultimately approved by Congress should be "fully financed" by the proposed progressive surtax on individual and corporate income, the statement said.

"A detailed analysis of specific weapons systems or of highly technical military issues is not within the special competence of the labor movement," the council said.

"But given the budgetary, economic, and social effects of defense spending on American workers and their families, we have a right and an obligation to address the broad defense issues confronting the nation."

Italian-American Council Honors ILGWU's Chaikin

New York—President Sol C. Chaikin of the Ladies' Garment Workers received the Italian-American Labor Council's Four Freedoms Award at the council's 40th annual conference here.

The citation praised Chaikin's "staunch and vigorous efforts toward the preservation of the lofty ideals of American democracy and his vital contributions to international free trade unionism."

METAL TRADES DEPT. President Paul Burnsky reviews the agenda for the department's executive council meeting in Bal Harbour, Fla., with President Carl Studenroth of the Molders, left, and President emeritus John McNamara of the Firemen & Oilers, right. McNamara retired from his seat on the council, and the vacancy was filled by his successor as president of the Firemen & Oilers, George J. Franciscus.

Employer Liable for Dues After Pitch to Kill Checkoff

An employer who tries to persuade workers to revoke their dues checkoff authorizations must reimburse the union for any dues it loses as a result, the National Labor Relations Board ruled.

The ruling came out of a case involving a number of unfair labor practices committed by Cardinal Systems, a division of Hospitality Motor Inns, which operates a cafeteria at a Cummins Engine Co. plant in Walesboro, Ind. The employer's unlawful actions occurred shortly before and after a petition was filed to decertify Hotel & Restaurant Employees Local 58 as bargaining representative for the cafeteria workers.

AMONG THE violations for which the employer was cited were questioning workers about their union sentiments, creating the impression of surveillance, assisting in the filing of a decertification petition, promising improved wages and working conditions if the union were defeated, threatening to discharge employees for cooperation with the NLRB, and refusing to bargain.

In addition, the cafeteria manager approached employees to ask if they wished to continue to have their union dues deducted from their paycheck. An NLRB administrative law judge found that the manager's derogatory remarks about the union and her statement that all but one employee had revoked checkoff "were clear encouragement to revoke." The ALJ recommended a cease-and-desist order, an order to bargain, and backpay for wages that were unlawfully withheld.

IN BROADENING the proposed remedies, the NLRB panel majority of Howard Jenkins and Don Zimmerman said the situation was analogous to cases in which the NLRB has ordered reimbursement of union dues when workers were coerced by their employers into paying dues or joining a union.

Member John Fanning disagreed, arguing that since the employer could have unilaterally discontinued checkoff following contract expiration, the solicitation of revocations could not have unlawfully caused any monetary loss to the union.

While acknowledging that the firm could have discontinued checkoff for all workers on expiration of the contract, the majority pointed out that the employer instead chose to unlawfully solicit revocations from the workers and to continue to honor deductions from those who did not revoke.

The union, therefore, lost dues it likely would have continued to receive were it not for the unlawful action, the majority found.

Veto Upheld, Idaho Halts R-T-W Drive

Boise, Ida.—A union-busting attempt to make Idaho a "right-to-work" state was blocked by a veto, and Gov. John V. Evans is a hero to the state's trade union movement.

Evans, a Democrat, refused to sign a compulsory open shop measure sent to him Feb. 10 after passing the state's House by a 50 to 20 vote and the Senate by a 21 to 14 margin.

THE VETO held when a Senate vote to override fell short of the necessary two-thirds majority, again by a vote of 21 to 14. Twelve votes were all that were needed to sustain the veto, and two Republican state senators joined twelve Democrats in voting to uphold the governor's action.

This is the second defeat in two years for so-called right-to-work in Idaho. The anti-union measure was also turned back in 1977 and in 1958 had been rejected by the voters in a statewide referendum.

Idaho AFL-CIO President Jim Kerns, who led the fight against the bill, praised the state's union members for their quick response to requests for letters, phone calls and personal visits to key legislators and the governor.

WITHIN A three-day period, Kerns said, Governor Evans received over 12,000 messages from union families urging him to veto the bill.

Kerns praised the governor for "his courage in standing by the workers of this state" despite "extreme pressure" fueled by out of the state "right-to-work" organizations.

Heavy spending by proponents of the compulsory open shop included a series of full page newspaper ads, Kerns pointed out.

In his veto message, Gov. Evans called "right-to-work" a "grossly misleading" title because it "neither confers any rights on anyone nor does it create or secure any additional jobs for Idahoans."

"The out-of-state interests promoting the 'right-to-work' issue are sowing dissension where none now exists," Evans told the legislators. He called the measure "detrimental to Idaho's economic health and stability," pointing out that workers' incomes generally decline in relation to the national average in states where such laws are on the books, damaging the state's economy.

SO-CALLED "right-to-work" takes away the right of labor and management to negotiate and agree on union security clauses in contracts, and is "contrary to any notion of fairness" because it denies the concept of majority rule, Evans said.

The governor called the bill "divisive," and stressed, "I cannot believe the out-of-state interests promoting this legislation truly have the welfare of the citizens of the state of Idaho at heart."

J. P. Stevens Required to Pay Organizing, Litigation Costs

Richmond, Va.—A federal appeals court has upheld an order of the National Labor Relations Board requiring J. P. Stevens & Co. to bargain with the Clothing & Textile Workers at its Wallace, N.C., plant and reimburse the union for its organizing and litigation costs.

By a 2 to 1 vote, the 4th U.S. Circuit Court of Appeals agreed with the NLRB that the company had committed blatant unfair labor practices during a 1975 union campaign in Wallace. Besides upholding the bargaining order against Stevens, the court also approved a rarely used remedy requiring the huge textile firm to pay ACTWU's organizing expenses and the litigation costs incurred by both the NLRB and the union.

THE NLRB HAD FOUND that unfair labor practices by Stevens management tainted the outcome of a February 1975 election which ACTWU lost by a 540 to 404 vote. The board voted that the union had obtained authorization cards from 561 of the 1,000 employees at Wallace.

Stevens officials announced a month before the election the institution of a guaranteed base for each employee's equity in the company's profit-sharing plan. The NLRB said the timing of the announcement was intended to dissuade employees from voting for the union and should have been delayed until after the election.

The court's written opinion concluded that stringent remedies were appropriate in the case because of the board's findings that high-level management officials acted deliberately, and in violation of a contempt order, to frustrate employee free choices in the election campaign.

The case was remanded to the NLRB for determination of the amounts of litigation and organizing expenses that the company must pay.

IN LATE 1980, Stevens and ACTWU settled on a landmark agreement that ended nearly two decades of struggle for worker rights. Over the years, Stevens had been found guilty of numerous, blatant violations of the National Labor Relations Act at several of its plants. The NLRB's findings were repeatedly upheld by federal courts, including the Supreme Court, but the company continued to flout the law and the court rulings.

The agreement applied to Stevens's seven-plant complex at Roanoke Rapids N.C., where the union won a first contract after a lengthy organizing campaign. It did not affect pending litigation such as that relating to the Wallace plant.

New AFTRA Pact Assures Video Disc Fees to Singers

New York—The Television & Radio Artists reached agreement with the recording industry on a new three-year contract that, for the first time, will give members an additional session fee when their sound recordings are converted to video discs or cassettes even though no additional session took place.

The pact, which has been approved by AFTRA's executive board, is subject to ratification by members. Retroactive to Apr. 1, 1980, the contract is now being considered at AFTRA membership meetings in cities where a substantial number of singers—those most affected by the agreement—are employed.

ANNOUNCEMENT of the settlement was made by AFTRA Exec. Sec. Sanford Wolff, who led the union's bargaining team. The contract supplements the union's Phonograph Code with the industry, and retains most of its provisions.

The pact calls for royalty payments of 4.5 percent of distributors' gross, plus improvements in pension and welfare provisions.

"The most important aspect of the agreement is that identical provisions have been achieved for video discs or cassettes as exist in the agreement negotiated along with the Screen Actors Guild," said Wolff. "This is what the singers' wages and working conditions committees had asked for."

Increases in all Phonograph Code rates also were negotiated in the new contract. Group singers' rates rise by 7 percent the first year, 4.6 perecnt the next, and 8.2 percent in the third year.

In Port Development Plans

Maritime Trades Seek Fair Share of Cargoes

Bal Harbour, Fla.—The need for government action to revitalize the U.S. merchant fleet was the dominant theme at the winter meeting of the AFL-CIO Maritime Trades Dept.'s executive board.

Some 200 representatives of MTD affiliated unions approved a program putting special emphasis on port development to handle burgeoning coal exports and other dry-bulk cargoes and legislation to assure a fair share of these cargoes for U.S.-flag ships.

THE PROGRAM was outlined in 26 statements adopted by the board and in reports of the department's officers: President Frank Drozak, Vice President Stephen J. Leslie and Executive Sec.-Treas. Jean Ingrao.

Drozak announced that in the months ahead the MTD will sponsor a series of one-day seminars on port development in the nation's major port cities, bringing together representatives of labor, business and industry, and state and local governments.

"These forums will address the need for port development legislation to enhance the capability of the United States to compete successfully in the expanding dry bulk trades," Drozak said.

HE CALLED on the Reagan Administration to support an amendment to pending legislation on port development to require bilateral shipping agreements assuring an equitable division of cargo carriage between the U.S. and its trading partners.

AFL-CIO President Lane Kirkland, in an address to the board, observed that "the government—year in and year out—has been long on promises and short on performance" in its approach to the merchant marine.

He noted, for example, that instead of redeeming his campaign pledge of a seven-point program to rebuild the U.S.-flag commercial fleet, President Reagan and his Administration are planning sharp cutbacks in operating subsidies to the liner trade—"which could lead to the beaching of what is left" of those ships.

"WHAT THE American maritime industry lacks," Kirkland said, "is what all other maritime countries possess—a keen and constant attention by the government to the role of shipping in relation to their own economies and their own national security."

Kirkland said the comparison of the U.S. merchant fleet with those of the Soviet Union and Japan is "shocking." Over the past decade, he noted, the Soviet merchant fleet has doubled in size and carries about half that country's commerce, while Japan's fleet has grown by 50 percent and carries more than 40 percent of its foreign commerce.

HE CITED the decline of the U.S. merchant fleet from nearly 25 million gross registered tons in 1960 to about 17 million tons today, carrying "a dismal 3.6 percent" of U.S. foreign commerce.

The potential for restoring the merchant marine as a major arm of American commerce and national security, Kirkland suggested, lies in achieving a fair share of the bulk trades, particularly the international coal trade.

He pointed out that the United States has enough coal reserves "to make us more than a match for the OPEC nations" in an energy hungry world.

The proper exploitation of those coal reserves, he said, could benefit the U.S. balance of payments and create thousands of jobs in the mines and on the railroads, in the construction of port facilities, in shipyards and on American-flag ships.

"OUR PROPOSAL for moving U.S. coal into the world market," Kirkland said, "is reasonable and measured: 40 percent aboard the vessels of our own fleet, 40 percent aboard the vessels of the importing country, and the remaining 20 percent on third-flag shipping," a formula that conforms to the recommendation of the United Nations.

Also addressing the MTD board meeting from the AFL-CIO were Research Director Rudy Oswald, Legislative Director Ray Denison, COPE Director John Perkins and Organization Director Alan Kistler.

Among other speakers were Sen. James Sasser (D-Tenn.), Rep. Joseph Moakley (D-Mass.), Rep. Leo Zeferetti (D-N.Y.) and Maj. Gen. K. R. Del Mar, president of the National Maritime Council.

ACTION TO REVISE the American merchant fleet was the focus of the Maritime Trades Dept. executive board meeting in Bal Harbour, Fla. Department president Frank Drozak announced plans for a series of seminars on port development in major port cities. Seated is MTD President Stephen J. Leslie.

Building Trades Move to Tap Pension Funds to Spur Jobs

Bal Harbour, Fla.—The Building & Construction Trades Dept. has announced a program to place some $500 million of union-negotiated pension funds in job-creating investments.

Dept. President Robert A. Georgine said the money would come from the various local, regional and national pension funds of the 15 building trades unions. There are about 10,000 building trades locals spread throughout the United States, and multi-employer pension plans in the construction industry have about $50 billion in assets, Georgine estimated.

HE SAID ABOUT $4 to $5 billion is being added to these funds each year.

The stimulation of construction activity, both residential and commercial, through the use of union pension funds is a self-help approach to an industry where the unemployment rate is 18 percent or more nationally and even higher in many areas of the country.

The new program will try to achieve its objectives, Georgine said, by making available coordinated investment opportunities. These will be presented at a series of two-day pension investment expositions to be held regionally, bringing together management and union trustees and their legal counsel. They would hear presentations from the sponsors of job-creating investment vehicles.

Large local trust funds could undertake projects by themselves, Georgine noted, while the pooling of investments would be appropriate for smaller funds. He said the program would operate within the framework of federal regulations.

IN ADDITION, the BCTD announced that it will undertake joint sponsorship with federal, state and local governments of a major cooperative pilot construction project, using capital from building trades pension funds. The development of a major coal port was cited as an example of the type of project being considered.

"Such cooperative ventures were contemplated by Congress when ERISA was enacted," Georgine said. "It is time for us to take the lead in bringing this on line."

The new investment program follows up on the BCTD's educational seminars conducted in six cities in late 1980 and early 1981. These were designed to help local unions control their pension fund assets and prepare them for investment opportunities and pitfalls.

A YEAR AFTER that initial program, Georgine said, the pension community is experiencing a "renaissance" that is changing the course of pension investments.

"In virtually every region of the nation," he said, "both public and private pension funds are insuring that investment strategies are not contrary to the overall needs and goals of organized workers."

Temporary Curb on Imports Asked To Halt Erosion of Nation's Industry

Bal Harbour, Fla.—The AFL-CIO called upon President Reagan and Congress to impose a temporary curb on imports that are eroding the nation's industrial structure.

An Executive Council statement charged that job losses and production declines due to the current recession are being "aggravated by mismanaged trade policies and practices."

AS THE worldwide recession deepens, many nations are increasing thier barriers to imports of U.S. goods and further subsidizing their exports to the United States. The nation's trade balance grew to a record $40 billion deficit in 1981.

"The Reagan Administration is ignoring these facts," said the council. "The Administration's monetary policies have brought a high value to the dollar—up 16 percent against major currencies since 1980—encouraging imports and retarding exports.

"These monetary policies have thus dealt a double blow—a downturn at home and a disaster in trade from added imports and slackening exports," the council declared.

BASIC DOMESTIC industries, already in need of revitalization, have been severely injured by the impact of expanded imports on top of the current recession, the council observed. Steel has suffered import penetration of about 20-25 percent of the U.S. market since last August. Auto imports last year increased their share of a falling market to 31 percent in January. Apparel imports were over 33 percent of the market, and machinery and machinery parts imports caused new concern in a weakened market.

"With import pressure mounting, virtually every type of manufacturing and related services felt the brunt of lost orders both at home and abroad," the council said. "Even America's newest industries, the so-called 'high technology industries,' are beginning to be hurt by imports."

Imports of manufactured goods rose 13 percent in 1981, while exports of manufactured goods were up only 7 percent. Meanwhile, instead of continuing trade adjustment assistance for workers injured by imports, the Administration's 1933 budget proposal calls for a mere 1 percent of the 1981 outlays for trade adjustment assistance and a complete end to the program in 1984.

THE COUNCIL called for the following specific measures and remedies in the trade area:

- Temporary restrictions on "harmful" imports during the recession to prevent added penetration of U.S. markets by foreign producers.
- Enactment of domestic content laws to protect endangered U.S. industries such as auto manufacturing and supplier firms.
- Speedy action on pending dumping and subsidy cases in steel to assure the promised redress for these unfair trade practices.
- Ending the President's continued authority to negotiate further tariff reduction.
- Assurance that a portion of U.S. raw material exports be processed in this country so that export of products such as grain and logs is conditioned upon specific domestic processing.
- Establishment of bilateral shipping agreements and adherence to cargo preference laws.
- Extension of trade adjustment assistance to provide adequate compensation to those unemployed because of trade and improved training, job search and relocation aid to those displaced workers who need such help.
- Commitment that foreign grant, insurance and loan programs, such as the Export-Import Bank, are carefully managed to safeguard U.S. interests at home and abroad.
- Aid by the United States in the development of Caribbean nations, but rejection of proposals for "one-way" free trade and additional investment incentives to U.S. firms for investing abroad.
- Vigorous enforcement of reciprocity provisions of the Trade Act.

New Federalism Hit By Budget Coalition

President Reagan's "new federalism" proposal represents "a flight from responsibility" that ignores "the plight of the jobless and the needy," the Budget Coalition charged.

The coalition, speaking for more than 200 organizations that came together last year to protest inequities in the first Reagan budget, warned that the President's latest proposals will make matters worse.

Reagan's federalism, the coalition said, would "shrink the federal role of ensuring equal opportunity in education, health and safety protection, jobs, training and support for economic and community development."

Executive Council Warns

Backtracking Threatens Progress on Civil Rights

(Continued from Page 1)

The Administration's position opposing the House-passed bill extending the Voting Rights Act is "profoundly harmful to the effort to secure the needed extension of this vital legislation," the AFL-CIO charged.

Voting rights legislation is before Congress because of the scheduled August expiration of a critical provision of the measure—the requirement that jurisdictions with a history of discriminatory voting practices must "pre-clear" any changes in their voting laws or practices with the Attorney General. The House-passed bill, which was supported by the AFL-CIO as well as by other members of the civil rights community, extends this provision and makes clear that voting law changes that result in discrimination are unlawful, without the need to prove an "intent" to discriminate.

THE TAX exemption for private schools that discriminate resulted from President Reagan's recent reversal of a 12-year-old IRS ruling. After a storm of criticism hit the Administration, the President turned around and asked Congress to pass legislation denying that exemption.

In passing the Internal Revenue Code, the council said, Congress had determined that bona fide charitable and educational organizations should not be taxed. The IRS rule which denied schools that discriminate an exemption was in accord with the well settled legal understanding that institutions that violate public laws are not bona fide. This ruling had been upheld by the courts.

"We can only conclude that the Republican President's new dispensation to private schools that discriminate rests not on the allegiance to the separation of powers doctrine mouthed by the Administration but on allegiance to the doctrine of separate but equal schooling repudiated in Brown v. Board of Education, the council said. "Because the law on the statute books, correctly understood, denies the tax exemption the President would provide, there is no need for new legislation, only for proper enforcement of present law."

THE COUNCIL said it joined with groups such as the American Bar Association and the Chief Justices of the 50 States in viewing with alarm the attempts by right-wing extremists in Congress to undermine constitutional rights by curtailing the power of the federal courts to enforce civil rights.

"The Legislative Branch is empowered to change a Supreme Court decision based on the Constitution only by initiating a constitutional amendment," the council said. "The proponents of limiting federal court jurisdiction, knowing that they cannot achieve their goals by the two-thirds vote of each House needed to initiate a constitutional amendment, are attempting to shortcut the process through legislation requiring only a simple majority vote in Congress.

"Such legislation, which would profoundly alter our basic constitutional system and put at risk our most basic individual rights, should not be enacted."

The council noted also that the Administration has criticized as "wrongly decided" the Supreme Court's decision in Steelworkers v. Weber upholding the right of a union and an employer to negotiate a fair and effective affirmative action program and observed, "That criticism demonstrates a lack of understanding both of collective bargaining and of civil rights."

IN THAT case, the Steelworkers and the AFL-CIO argued that unions and employers can through collective bargaining take positive, constructive actions to accelerate the elimination of the vestiges of racial discrimination.

"The justice of that position seems to us to be beyond question," the council said. "As the court said, 'It would be ironic if a law . . . triggered by a nation's concern over centuries of racial injustice . . . constituted the first legislative prohibition of all voluntary, private, race-conscious efforts to abolish traditional patterns of racial segregation. . . .' "

Job Gains, Pay Concessions Mark Ford, UAW Contract

(Continued from Page 1)

the three-year-long car sales slump. Fraser termed the closing of the two assembly plants was a "tragedy" that could have been averted, and said there was a danger of further shutdowns.

- UAW officials said that the union's American Motors Corp. Council will meet within two weeks to decide whether to open talks on the automaker's request for help.

THE PROFIT-SHARING plan at Ford would provide union members payments on a sliding scale if annual profits exceed 2.3 percent of sales of Ford's car and truck operations. Had the plan been in effect in the 1970s, payments during profitable years would have ranged from $117 to $513 for the average worker, UAW said.

Another job-security feature of the contract is Ford's promise to establish pilot lifetime employment plans in two plants to be chosen later. The experiment with "lifetime job security" would cover 80 percent of the workforce at those facilities, who would be protected against layoffs.

The guaranteed income program for employees with lengthy service would provide workers who have 15 or more years of seniority with 50 percent of their hourly wage rate until they reach age 62 or retire.

The company also pledged to reduce its workforce through attrition rather than further layoffs, approved early retirement provisions, strengthened the rights of senior workers who lose jobs to displace less experienced workers at other plants, and agreed to a reopening clause that allows for new contract negotiations in the event of an "unexpected major upturn in Ford sales" equaling the peak levels of 1978.

Gannon Elected President Of Fire Service Federation

Fire Fighters President John A. Gannon has been elected president of the Joint Council of National Fire Service Organizations.

The council, whose affiliates represent about two million members of national organizations concerned with fire problems meets regularly to discuss mutual concerns and promotes competency standards for positions in fire fighting and fire control.

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Deregulation

Van de Water Called Unfit For Chairmanship of NLRB

Bal Harbour, Fla.—President Reagan's nomination of John Van de Water for chairman of the National Labor Relations Board should be rejected by the Senate because of his anti-union record, the AFL-CIO Executive Council urged.

Van de Water has been serving as NLRB chairman since August under recess appointments by the President, despite the failure of the Senate to confirm his nomination.

THE EXECUTIVE COUNCIL said the Senate Labor Committee was correct in its previous refusal to approve Van de Water because he fails to meet the test of its chairman, Sen. Orrin Hatch (R-Utah), that an NLRB nominee be "perceived as objective and, most important, independent."

Despite the committee's refusal to recommend Van de Water, Hatch tried to bring the nomination directly before the full Senate, against all precedents. The threat of a filibuster by Van de Water opponents blocked action in the first session of Congress, however.

Reagan resubmitted the nomination last month and once again it was referred to the Senate Labor Committee for consideration. Since nothing has been presented to dispute the evidence against Van de Water, the council said, the committee and the Senate should reject his nomination.

The nominee's record of activities as an anti-union consultant is replete with declarations that unions are an evil which management should fight, the AFL-CIO charged.

"Such a view directly contradicts the very basis of the National Labor Relations Act, the law that Van de Water would be sworn to uphold if confirmed as NLRB chairman," the council declared.

Also, despite clear evidence of his activity as a so-called "persuader" in captive audience meetings, Van de Water failed to register as required under the Labor-Management Reporting & Disclosure Act, the council noted.

DURING Senate Labor Committee hearings, the AFL-CIO brought forth extensive evidence detailing Van de Water's anti-union activities. Most damaging was the fact that Van de Water established a California consulting firm which over the years advised scores of companies on how to resist legitimate efforts of employees to organize. In a 1973 speech, Van de Water boasted that he personally represented the employer in 130 union representation elections.

In nominating Van de Water as NLRB chairman, the council charged, President Reagan has chosen to abandon any pretense of impartiality in a government agency charged by law to help promote balanced, harmonious labor-management relations.

Tribute to FDR Stresses Defense of Achievements

Bal Harbour, Fla.—Americans can honor the memory of Franklin Delano Roosevelt by resisting attempts to turn back the clock "to the predatory era of a half century ago," the AFL-CIO Executive Council said.

The council's statement, in honor of the centennial of Roosevelt's birth, saluted FDR as "the greatest president of the 20th century" who led the nation out of the Depression that had gripped the country "while an incumbent Republican president watched hopelessly from the White House."

As president, Roosevelt "moved quickly to restore confidence in the nation," the council pointed out, stressing that he believed "the federal government had the responsibility for the welfare of all Americans, and he put his beliefs into practice."

Today, the council warned, the American people "are witnessing an attempt by another Republican president and a selfish segment of society to tear down the great structure of social benefits and legal protections which were his great legacy to the country."

The AFL-CIO called for early completion of a Franklin D. Roosevelt memorial in Washington, D.C. "to perpetuate the memory of this friend of the workers and the disadvantaged."

Reagan's 'New Federalism' Scored as Divisive Scheme

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Budget Battle Taking Shape In Congress

By David L. Perlman

The battle of the budget began to take shape in Congress as Democratic members of the Joint Economic Committee outlined an anti-recession alternative to the Reagan Administration's program.

Committee Chairman Henry S. Reuss (D-Wis.) said both House and Senate Democrats on the panel are agreed on the need to bring down interest rates, channel credit into productive uses, modify the tax cuts enacted by Congress last year, and stimulate industrial growth.

THE REPORT accuses the Administration of ignoring the recession to stick with a "rigid economic ideology" and urges Congress to "stand fast" against the new round of cutbacks in social programs demanded by the President.

Committee Republicans came to the Administration's defense in a parallel report. But GOP leaders in Congress have already told the President bluntly they can't accept a budget that combines a projected deficit of more than $90 billion with program cuts that will worsen recession hardships.

Before the mid-February recess of Congress, Reagan had written GOP lawmakers that the message he has received from the American people is to "hold firm to the course we have charted." He urged them to go back to their districts and "listen to the real voices of the American people, not just the squeaky wheels."

It's the White House that needs new

(Continued on Page 8)

POLISH WORKERS welcome the AFL-CIO's staunch support for their Solidarity labor federation, Magda Wocjik told the AFL-CIO Executive Council. She is deputy director of Solidarity's Dept. of International Affairs and one of a small group of Solidarity leaders who were outside Poland when the military repression began last December. AFL-CIO President Lane Kirkland listens to her report on the "state of war" in Poland.

Continued Repression Cited

Stiffer Sanctions Sought Against Polish Regime

Bal Harbour, Fla.—The AFL-CIO called on President Reagan "to match his strong words with strong action" by stepping up U.S. sanctions against the Polish military junta and the Soviet Union until they end their suppression of trade union and human rights in Poland.

The Executive Council expressed deep disappointment at the response of the western governments, including the United States, in the two months since the Jaruzelski regime launched its "brutal" crackdown on Solidarity, the Polish free trade union movement, and imposed martial law.

THIS LACK of a firm, united response, the council said, "raises disquieting questions about the ability of the Atlantic Alliance to act in concert against Soviet violations of international law," the council observed.

It said Reagan's actions so far "signal Moscow that we are not prepared to endure inconvenience or sacrifice in freedom's defense. The President has misread the character of the American people."

The council adopted its statement on Poland after hearing a detailed review of events in that country by Magda Wocjik, deputy director of Solidarity's Dept. of International Affairs. She is one of the small group of Solidarity leaders who were outside Poland when the military repression began last Dec. 13.

WOCJIK CALLED the crackdown a technical success, resulting in the arrest overnight of thousands of Solidarity members. The fact that the union was so unprepared, she said, gives the lie to the junta's claim that Solidarity was seeking an open confrontation.

Wocjik conveyed Solidarity's thanks to the AFL-CIO and its affiliates for their support before and since the military crackdown and said the union's leaders inside Poland are well aware of that support despite the difficulty of maintaining contact with them.

She estimated that since the "state of war" began at least 15,000 Poles have been interned in at least 50 camps. Conditions in the camps vary, she said, with some set up for display to visiting Red Cross officials and church leaders, while in others the internees "are treated as convicts."

DESPITE THE Jaruzelski regime's claims that conditions in Poland are returning to normal, "it is obvious that they have found themselves in a dead end," Wocjik said, "and that the situation became incomparably worse than it was before Dec. 13," with resistance continuing to grow.

Sec. of State Alexander Haig, in a news conference following his meeting with the council the next day, explained the Administration's reasoning behind its decision to cover the $71 million owed by the Polish government to American banks. Haig said the action would give the U.S. more leverage and suggested that the proper path to pursue was to curtail future credits to Poland.

(Continued on Page 2)

Council Says Every State Would Lose

By John M. Barry

Bal Harbour, Fla.—President Reagan's "new federalism" plan to turn a host of federal programs over to the states is an "ill-conceived scheme to reduce anticipated huge federal budget deficits while neglecting the nation's most fundamental needs," the AFL-CIO charged.

The Executive Council said the President's plan is "inherently stacked against the best interests of the nation," and every state will be a "financial loser."

IT PLEDGED that organized labor will do "all within our power" to fight the proposal and "to preserve the constitutional obligation of the federal government for assuring all Americans, wherever they reside, of an opportunity for a decent level of living."

Questioned at a news conference as to labor's "blanket opposition" to the "new federalism" scheme, AFL-CIO President Lane Kirkland cited the reference in the Pledge of Allegiance to "one nation, indivisible."

"I want to live up to that pledge," he said, "and I want our government to live up to that pledge."

The statement on "new federalism" was one of a series of actions highlighting the second half of the Executive Council's winter meeting here.

THE COUNCIL heard a report on developments in Poland from Magda Wocjik, deputy director of international affairs for the Polish free trade union movement, Solidarity, and called on the Reagan Administration to carry out its promised sanctions against continued repression in that country. **(Story, this page.)**

Sec. of State Alexander Haig met the next day with the council for a discussion that covered a wide range of foreign policy issues relating to Poland, the Middle East, Central America, and the Persian Gulf.

Other visitors included Rep. Richard Bolling (D-Mo.), chairman of the House

(Continued on Page 3)

'Real Earnings' Of U.S. Families Down Over Year

The "real earnings" of full-time workers and of families with at least one paycheck continued to drop during 1981, as wage and salary increases again failed to keep up with the rise in living costs.

Among families, the decline in buying power from the last quarter of 1980 to the same period of 1981 was 2.6 percent. That came on top of a 5.1 percent decline in buying power the previous year. The Bureau of Labor Statistics measurement does not go back further than that in its present form, but pay has been slipping behind buying power since 1978.

FOR INDIVIDUALS employed full time, the decline in after-inflation earnings was less precipitous—down six-tenths of 1 percent last year after a drop of 2.7 percent the previous year.

Median earnings of full-time wage and salary workers rose 8.7 percent to $301 a week last year. But the consumer price rise for wage earners rose still more, by 9.4 percent.

The median weekly earnings for fami-

(Continued on Page 8)

Thatcherism, Reagonomics Linked by Common Failures

Bal Harbour, Fla.—The policies of President Reagan and British Prime Minister Margaret Thatcher are based on a common ideology that has produced economic failure in both the United States and Britain.

That was the major conclusion of the economic committees of the federation and the British Trades Union Congress after two days of discussions here during the AFL-CIO Executive Council's winter meeting.

A JOINT statement issued by the participants noted that the labor movements of both countries have offered "clear alternatives" designed to achieve economic recovery and called on the two governments to change course.

The present governments of both the United States and Britain, the statement observed, have followed "policies of tax cuts benefiting primarily the wealthy, drastic budget cuts in protections for workers and the disadvantaged, and tight-money policies leading to high interest rates."

The result has been the highest levels of unemployment since the Depression—more than 12 million in the two countries, 9.3 million or 8.5 percent in the United States and 3 million or 12 percent in the United Kingdom. But the joint statement pointed out that these official statistics mask the true depths of the recession.

TAKING INTO account the number of discouraged workers who remain jobless but have stopped looking for work,

(Continued on Page 2)

CLOSE IDEOLOGICAL link between the policies of the Reagan Administration in the United States and the Thatcher government in Britain was noted by trade union leaders of the two countries as economic committees of the AFL-CIO and of the British Trades Union Congress met together during the Executive Council sessions.

Thatcherism, Reagonomics Linked by Common Failures

(Continued from Page 1)

plus those who are on part-time because they cannot find full-time work, the true levels of unemployment are about 13 million in the U.S. and 4 million in the UK, the committees said.

The joint statement took pointed notice that the Reagan Administration had failed to learn from the British experiment, adopting the very policies of the Thatcher government that had sent the UK's economy plummeting and had doubled unemployment since May 1979, while failing to stem inflation.

Although the drop in output has stopped in the UK, there is little prospect of any sustained recovery, the statement said. Meanwhile, in the United States employment and output are still declining "and there is great concern about the prospects for the U.S. economy now that the discredited and disastrous doctrines of Thatcherism have been translated into Reaganomics."

A SEPARATE statement issued jointly by the committees warned that the harmful impact of the tight-money policies pursued by both the Reagan and Thatcher governments is spreading to the rest of the western world, forcing other countries to raise their own interest rates and thus choking off economic growth and deepening the worldwide recession.

Both the TUC and the AFL-CIO pledged to seek changes in national policy to bring down interest rates and "assure the channeling of credit for production and necessary investment." The statement said this would help reduce inflation, expand employment and restore balanced economic growth. It called on the Trade Union Advisory Committee of the Organization for Economic Cooperation & Development to press for similar policies in OECD member countries.

The joint statement on "Thatcherism and Reaganomices" listed these key points common to the alternative programs proposed by the TUC and the AFL-CIO.

- Full employment and economic expansion must be the priority goals.
- Public expenditure programs must play a central role in reviving the two economies.
- Tax policies that reward the rich in both countries must be reversed.
- Social programs protecting the elderly, the unemployed and the disadvantaged should be sustained.
- Defense programs must not be financed by cuts in social spending.
- Monetary and credit policy should be designed to steer funds toward productive investment.
- The governments of both countries should take the lead in helping to promote worldwide recovery.

TAKING PART in the discussions that produced the joint statements were, from the AFL-CIO, President Lane Kirkland, Sec.-Treas. Thomas R. Donahue, members of the Economic Policy Committee chaired by Vice President John H. Lyons, Research Director Rudy Oswald and other staff economists.

Participants from the TUC included David Basnett, general secretary of the General & Municipal Workers and chairman of the TUC Economic Committee; David Lea, assistant general secretary of the TUC; Mostyn Evans, general secretary of the Transport & General Workers; Terence Duffy, president of the Engineering Workers; Frank Chapple, general secretary of the Electrical, Telecommunications & Plumbing Union; Geoffrey Drain, general secretary of the National & Local Government Officers Association; Clive Jenkins, general secretary of the Association of Scientific, Technical & Managerial Staff, and Bill Callaghan, head of the TUC Economic Dept. and secretary of the Economic Committee.

CONVENTIONS

The 1982 convention of the Marine Engineers will be held in New Orleans, Mar. 15-17.

The 1982 Illinois State AFL-CIO convention, which was originally scheduled for Sept. 20-23 at Rosemont, has been changed to Oct. 4-7 at Springfield.

UN Backed On Effort to Outlaw Runaway Ships

Bal Harbour, Fla.—The AFL-CIO Executive Council called on the U.S. government to steer clear of any attempts to scuttle a United Nations effort to phase out the practice of "open registration" in international shipping.

The council noted that the governments of the United States, Greece and the United Kingdom are reportedly cooperating in a plan to block implementation of a UN policy that would lead to a ban on the practice of allowing a shipping company based in one country to register its vessels under the flag of another nation.

Searching out a "flag of convenience" permits U.S. shippers to avoid U.S. wage and hour laws and health and safety requirements, as well as taxes and equipment standards.

The UN Conference on Trade and Development (UNCTAD) held in Geneva in June 1981 voted overwhelmingly in favor of phasing out open registries, the council pointed out. The conference stressed the "subhuman conditions" seafarers working on open registry ships often endure.

The UN has announced a meeting in mid-1982 of a group that will work out principles governing acceptance of ships on national registries, and the council urged the U.S. government to withdraw from any attempts to undermine development of that policy.

Support Pressed For Black Unions In South Africa

Bal Harbour, Fla.—The growth of strong unions of black workers in South Africa is the "best hope" for preventing bloody race war and bringing peace, justice and freedom to that racist country, the AFL-CIO Executive Council declared.

In a statement denouncing the "despicable conduct" of the South African government toward black trade unionists, the council pressed AFL-CIO affiliates to join "free labor movements everywhere" in support of peaceful democratic reforms sought by black trade unions in South Africa.

The council pointed to the death in detention of Dr. Neil Aggett, secretary of the African Food & Canning Workers Union in the Transvaal, and declared its rejection of the police accounts that his death was a suicide. Aggett was the 46th detainee to suffer a violent death in South Africa in the last 20 years.

THE AFL-CIO, the council said, joins with the International Confederation of Free Trade Unions "in condemning South Africa's continuing imprisonment, detention and harassment" of trade unionists and their supporters, actions taken by the government "to salvage the odious apartheid system" of nearly total racial discrimination and segregation.

The African American Labor Center, in coordination with the ICFTU, has established a special unit to provide training, technical assistance, equipment and supplies to help strengthen South Africa's black trade union's, and a workers' defense fund is being set up to give legal aid to black trade union leaders arrested or detained by the South African government, the council noted.

Stiff Sanctions Asked Against Polish Regime

(Continued from Page 1)

AFL-CIO President Lane Kirkland, responding to questions at his own news conference, said the Secretary's explanation did not satisfy the council, and the Administration's position reflected "the influence of the banking community—the soft underbelly of freedom in the world."

THE COUNCIL statement said the decision to permit Poland to escape default on its loans means the American taxpayers must foot the bill to bail out the banks.

"The effect of calling in the Polish debt would be to dry up the flow of easy credit to the Soviet bloc, cripple the construction of the Siberian gas pipeline and stem the diversion of resources into Moscow's military buildup," the council said. "This is precisely the cost the West should impose on the Soviet Union; it is commensurate with the enormity of Moscow's suppression of Poland's free trade union movement."

Suggestions that calling in the Polish debt would cause grave disruptions of the international banking system are "exaggerated and self-serving," the council declared, adding:

"THEY ARE suspect coming from bankers who claim handsome rewards for risk-taking but immunity from the penalties of bad judgment."

The council also rejected the contention that a total embargo on sales of grain, technology and industrial materials to the USSR would hurt American farmers and businessmen more than the Soviets because the latter could find other suppliers.

"This argument assumes that we are powerless to influence the behavior of our allies and becomes a self-fulfilling prophecy," the council statement said. "Even if these arguments are accepted at face value, they only prove how far the West has traveled down the road to paralyzing dependence on commerce with the Soviet bloc and how urgent it is that we reverse course."

Kirkland, in his remarks to reporters, stressed that the situation in Poland has not improved—"it has gotten worse." He pointed out that Solidarity leader Lech Walesa remains under arrest and in isolation, thousands of unionists are held in concentration camps and the arrests continue.

"WE BELIEVE the time has come and is, if anything, overdue for added sanctions," Kirkland said.

Meanwhile, he said, humanitarian aid to the Polish people in the form of food and medical supplies should be sent through channels "we can trust," such as the Catholic relief agency, and not through the Polish government.

Msgr. Higgins to Receive AFL-CIO's Highest Award

Bal Harbour, Fla.—Msgr. George Higgins was chosen by the Executive Council to receive the AFL-CIO's 1981 Murray-Green-Meany Award, the labor movements highest honor for humanitarian service.

The $5,000 award will be presented to Father Higgins May 5 in Chicago at a banquet to be held in conjunction with the national Community Services conference.

FATHER HIGGINS, who has been involved in numerous labor struggles over the past four decades, retired in 1980 as secretary for special concerns of the U.S. Catholic Conference. He is currently with Catholic University in Washington.

He played a major role in the Farm Workers' organizing and bargaining breakthroughs during the 1960s and '70s. More recently, he was trustee of the federation's PATCO Family Fund for the striking Air Traffic Controllers who were discharged by President Reagan.

A fraternal delegate to Solidarnosc's first congress in Gdansk last September, Father Higgins delivered AFL-CIO President Lane Kirkland's address to the convention. Kirkland had been invited by Solidarnosc Chairman Lech Walesa to make the address, but was denied a visa by the Polish government.

A NATIVE of Chicago, Father Higgins was ordained a priest in 1940 and joined the staff of the National Catholic Welfare Conference in 1944. He writes a weekly syndicated column, titled the Yardstick, that deals with labor and social issues.

The Murray-Green-Meany Award is presented annually as a memorial to William Green, Philip Murray and George Meaany, late leaders of the AFL, the CIO and the merged federation. Last year's winner was entertainer Danny Thomas. Other recipients have included President Harry S. Truman, Israeli Prime Minister Golda Meir, Gen. Omar Bradley and A. Philip Randolph.

Council Hits 'New Federalism' Scheme

Warns States Would Lose Under Reagan's Proposal

(Continued from Page 1)

Rules Committee, who covered congressional strategies to deal with Reagan's proposals for more massive cuts in social programs, and John E. Jacob, the new president of the National Urban League, who warned of the especially severe impact those budget cuts are having on blacks and other minorities.

ACCEPTING the recommendation of its Community Services Committee presented by Vice President Joyce Miller, the council voted to present this year's Murray-Green-Meany Award to Msgr. George G. Higgins, who has worked closely with organized labor in many areas.

The council's statement on "new federalism" noted that Reagan's scheme would shift responsibility to the states for 43 programs in education, community development, transportation, health and social services, thus saddling state and local governments with huge costs previously borne by the federal government.

Under the President's proposal, the programs would be partially financed until 1987 from a trust fund drawing revenues from a number of federal excise taxes. But after that, the fund would be phased out at the rate of 25 percent a year. By 1991, all further financing would have to come from state funds.

EFFECTIVE NEXT Oct. 1, however, the states would be free to cut back any of the transferred programs—or to wipe them out altogether.

"Since the states have traditionally relied on regressive taxes for their revenues. the greatest burden would fall on low- and middle-income taxpayers," the council statement observed.

While thus crippling facilities and services on which all citizens depend, the "new federalism" would "jeopardize the health and welfare of millions of the poor and disadvantaged," the council said.

It noted that the Reagan plan also calls for a complicated swap that would assign to the states two major welfare programs —Aid to Families with Dependent Children (AFDC) and food stamps—while the federal government would take over total control of Medicaid, the program of medical assistance for the poor.

Among the consequences of the scheme listed by the council:

- Elimination of such federal protections as prevailing wage, job safety and minimum wage laws for workers involved in the defederalized programs since these federal laws do not apply to the states as employers.
- Sharply higher cost burdens for every state if the defederalized programs are maintained at current levels, contrary to the Administration's claim that the swap would be even.
- Elimination of the oil industry windfall profits tax as a source of revenue for non-oil producing states once the trust fund payments end.
- A bleak and uncertain future for needy families, with the Administration seeking to slash Medicaid before it takes over the program, and with prospects that the states will slash AFDC and food stamp programs rather than meet the higher costs.

THE COUNCIL statement was accompanied by an analysis of the effects of the program shift on each state prepared by the State, County & Municipal Employees.

The council pointed out that the Administration is using an inconsistent approach to cost estimates in its attempt to sell the "new federalism" program to the public. For example, it has minimized projected costs to the states by failing to apply an inflation factor and by assuming that its proposed cuts in all of the 43 programs will be enacted along with its proposed cuts in AFDC and food stamps.

On the other hand, to maximize the estimated costs to the federal government in the comparison, the proposal omits the cuts the Administration is seeking in Medicaid.

USING CONSISTENT estimates, the council said, the total loss to the states from the "new federalism" would be $17 to $20 billion or more in fiscal 1984 and at least $86 billion in fiscal 1991 when the trust fund runs out.

"With such added costs, the states would be under tremendous pressure to slash funds for the programs they would be expected to take over," the council said. "Some would undoubtedly be cut out altogether."

Meanwhile, the statement charged, "the real and most pressing problems the nation faces—massive unemployment, a huge tax giveaway to the rich, runaway interest rates and a depressed, stagnant, and inflation-prone economy"—remain neglected by the Reagan Administration.

The council statement stressed that existing federal responsibility for "all these programs reflects a national consensus" that all Americans have a right to certain minimum services and benefits, no matter where they live. Congress asserted national responsibility for these programs because the states were unwilling to meet their obligations, the council pointed out.

"BUT IF the federal government shucks off these fundamental responsibilities to the states," the statement continued, "there is no more guarantee today than in the past that they can or will properly discharge them. Education, transportation and community development will surely suffer. The existing disparity in the treatment of the poor and disadvantaged will worsen."

SEC. OF STATE Alexander M. Haig meets with the Executive Council to discuss the Administration's actions in the Polish crisis and other world issues.

The council rejected Reagan's "cynical advice" that people could adjust to his program by "voting with their feet" and moving to another state. This would further aggravate the existing disparities and create further burdens for states that have been more generous in programs for the needy, the statement pointed out.

"The AFL-CIO strongly opposes the 'new federalism' and we will not let it divert us from the more serious and immediate problems of Reaganomics," the council declared.

OTHER STATEMENTS on domestic policy, detailed elsewhere in this issue, stressed the need for expanded programs to train the jobless and the disadvantaged, called for reversal of cutbacks in unemployment insurance and the employment service at a time of rising joblessness, endorsed the concept of exclusive state funds to counter the escalating costs of workers' compensation coverage, pledged a vigorous effort to combat rising health care costs while opposing the Administration's "competition" proposal to limit employer-financed coverage, reaffirmed labor's opposition to further cutbacks in social security retirement and Medicare benefits to solve short-term financing problems, called on the government to back away from efforts to scuttle a United Nations effort to outlaw runaway shipping, and pledged a renewed effort to win ratification of the Equal Rights Amendment before the June 30 deadline.

On foreign policy issues, council statements urged that the international economic summit conferences scheduled in May and June give top priority to the worldwide unemployment crisis, opposed the sale of U.S. fighter planes and missiles to Jordan, and condemned South Africa's continuing oppression of trade unionists.

ON TRADE UNION matters, the council endorsed a nationwide boycott of Kosmos Cement products instituted by the Cement, Lime & Gypsum Workers, approved Kirkland's appointment of an Appeals Committee and a permanent mediator to deal with internal disputes, and voted a change in the bylaws governing state and local COPE operations to permit a new category of "limited" endorsement of political candidates.

Adopting the report of an ad hoc committee on two resolutions referred by the convention, the council called on the United Way of America to establish a national labor policy for the guidance of its local organizations and member agencies. It also acted on 10 other referred resolutions.

Reports were given by Vice President Glenn Watts on the impact of the AT&T divestiture, Vice President Douglas Fraser on the Auto Workers recently concluded Ford negotiations, Vice President William W. Winpisinger on the operations of the Citizens/Labor Energy Coalition which he heads, Vice President Lloyd McBride and Organization Director Alan Kistler on the Houston Organizing Project, and Education Director Dorothy Shields on a new school program on labor history developed in cooperation with the American Federation of Teachers.

SEC.-TREAS. Thomas R. Donahue presented a detailed report of the federation's finances and progress reports on the George Meany Memorial and Archives and the Pooled Investment Trust.

Contributions were voted to the Committee for National Health Insurance, No Greater Love, the New Leader, the Full Employment Action Council, International Rescue Committee, Samuel Gompers Papers, Southern Regional Conference, National Urban Coalition, National Housing Conference, National Low-Income Housing Coalition, Fund for an Open Society, National Urban League, Leadership Conference on Civil Rights, National Council of Negro Women, Joint Council on Economic Education, Public Forum Productions Ltd., Religion & Labor Council, National Consumers League, Consumer Federation of America, Consumers' Union Foundation, and the Conference on Economic Progress.

The next council meeting will be held May 26-27, 1982, in Washington.

Firm Fight Pledged to Preserve Social Security

Bal Harbour, Fla.—The AFL-CIO will defend the social security system against further "unwarranted cuts" sought by the Reagan Administration under the guise of a "rescue operation."

At its winter meeting here, the federation's Executive Council pledged to fight any more slashes in the program and the "fundamental protections it provides for American workers, active and retired." The council promised to play a "constructive role" in helping put the system on a sound financial basis.

THE AFL-CIO'S resistance to cuts in the retirement programs will be matched by opposition to slashes in Medicare and disability benefits, also sought by the Administration, the council said.

While the system has some short-term financing needs, the problems are "manageable," the council's statement said and they should not "be used as an excuse to break faith with those depending on social security now or in the future."

AFL-CIO President Lane Kirkland, at a press conference between council sessions, said the long-range projections for the social security fund are excellent once the short-term financing gap is bridged.

KIRKLAND scored as "inflammatory" and wrong suggestions by Reagan Administration officials that social security is facing "bankruptcy and collapse."

The council reaffirmed the AFL-CIO's long-standing position that removal of social security from the unified federal budget and partial financing from general revenues would strengthen the financial status of the system.

The statement pointed out that the Administration has already succeeded in cutting the social security program, largely through the budget reconciliation process. Among those cuts were phasing out of benefits for dependent children in college, elimination of the minimum benefit for new applicants, discontinuing some death and survivors' benefits and the imposition of social security taxes on sick pay.

AN UPROAR of public opposition forced the President to pull back proposals for even deeper cuts and to call for appointment of a 15-monute National Commission on Social Security Reform. That commission was subsequently named, and Kirkland is among its members. But the council warned out that the membership of the commission is heavily weighted with Administration supporters.

Shortly after the appointment of the commission, the council noted, Social Security Commissioner John A. Svahn said the Administration would reject proposals for adequate financing even if the commission were to recommend them.

It noted that in its fiscal 1983 budget proposals, the Reagan Administration has called for massive cuts in Medicare that would shift a greater cost burden to the elderly and disabled. It has also stepped up as efforts to eliminate as many as 20 percent of all disability beneficiaries from the rolls through tougher eligibility and case review procedures.

The council pointed out that Administration efforts to gut these programs have persisted in spite of overwhelming public opposition. Numerous polls have shown that the public would be willing to pay more to support the system rather than see benefits cut. The most recent example of public feeling on the issue, the council said, was the "emphatic rejection" of Administration proposals for cuts by delegates to the recent White House Conference on Aging.

Time for Action on Poland

IT HAS BEEN MORE than two months since the Jaruzelski junta, prompted by the Soviet Union, launched its brutal repression of Solidarnosc and human rights in Poland.

The response of western governments, including our own, has been deeply disappointing and raises disquieting questions about the ability of the Atlantic Alliance to act in concert against Soviet violations of international law.

The AFL-CIO welcomed the sanctions against Poland and the Soviet Union announced by the President, although they fell short of the steps we urged. But President Reagan publicly stated that stronger measures would be forthcoming if the situation in Poland did not improve.

The situation has not improved. Lech Walesa remains under arrest, thousands of Solidarnosc members are held in concentration camps, workers have been killed, beaten and sentenced to harsh prison terms, and the junta gives no evidence of ending martial law. Only this week, police arrested 194 demonstrators in Poznan. And only yesterday morning, news reports indicated 4,000 more Poles had been arrested.

THE PRESIDENT has not kept his promise. He has backed away from the two strongest actions that remain open to him—imposing a trade embargo on the Soviet Union and declaring the Polish debt in default.

The effect of calling in the Polish debt would be to dry up the flow of easy credit to the Soviet bloc, cripple the construction of the Siberian gas pipeline and stem the diversion of resources into Moscow's military buildup. This is precisely the cost the West should impose on the Soviet Union; it is commensurate with the enormity of Moscow's suppression of Poland's free trade union movement.

We are told that calling in the Polish debt would disrupt the international banking system, so large is its investment in the Soviet bloc. The estimates of the dislocation are exaggerated and self-serving; they are suspect coming from bankers who claim handsome rewards for risk-taking but immunity from the penalties of bad judgment.

WE ARE ALSO told that an embargo on the sale of grain, technology, and factories to the Soviets would hurt American farmers and businessmen more than the Soviets, who could find other suppliers. This argument assumes that we are powerless to influence the behavior of our allies, and becomes a self-fulfilling prophecy. Even if these arguments are accepted at face value, they only prove how far the West has traveled down the road to paralyzing dependence on commerce with the Soviet bloc and how urgent it is that we reverse course.

The President's response to the suppression of freedom in Poland has been tough talk. But his actions, so far, signal Moscow that we are not prepared to endure inconvenience or sacrifice in freedom's defense. The President has misread the character of the American people. It is time for the President to match his strong words with strong action. The AFL-CIO shall continue to do everything in its power to help restore Solidarnosc to its place in Polish life.

—From AFL-CIO Executive Council statement, Feb. 18, 1982, Bal Harbour, Fla.

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THOMAS R. DONAHUE, *Secretary-Treasurer*

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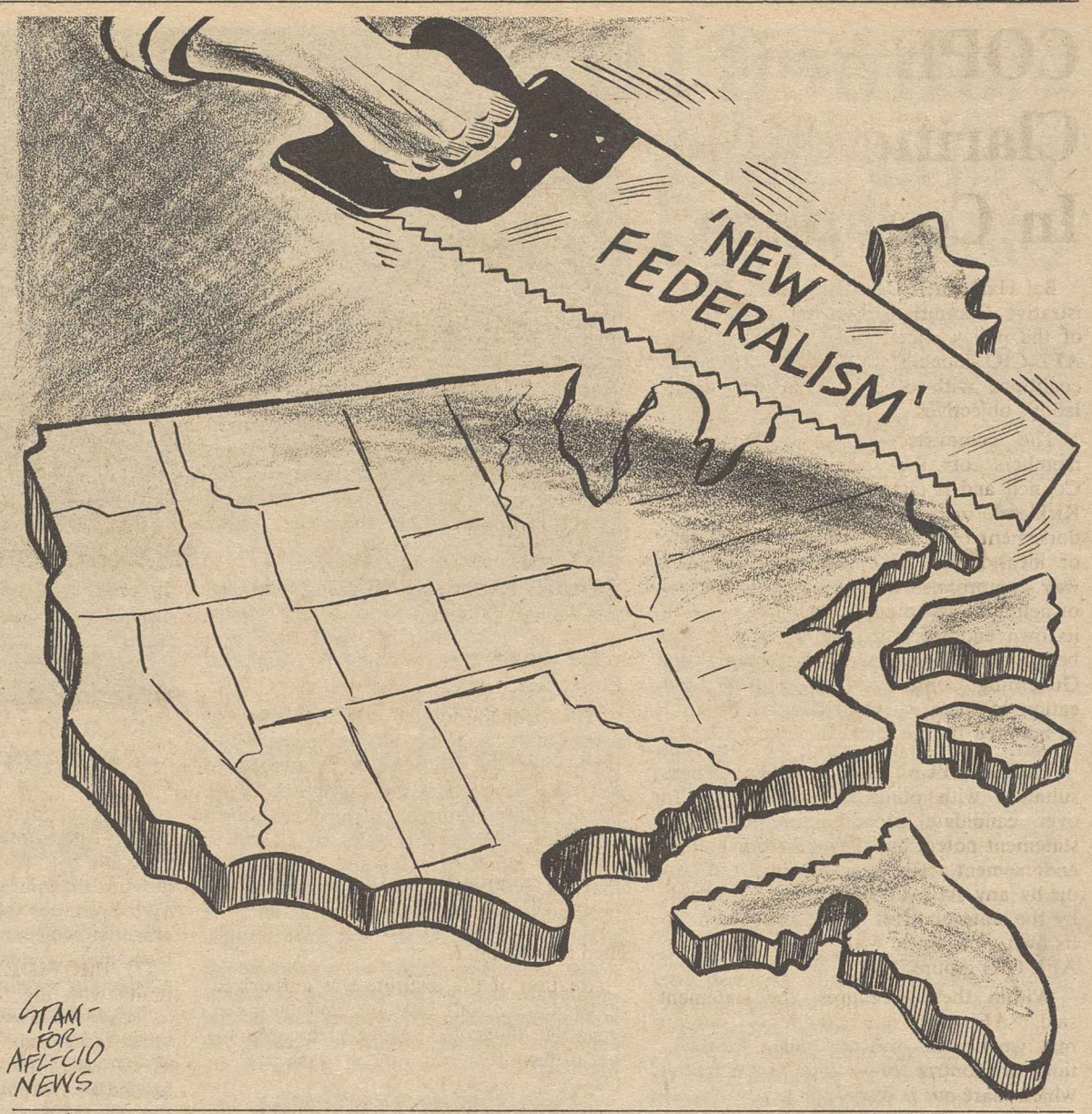

Findings of a Reliable 'Source'

Progress of Black Americans Reversed Under GOP Policies

By Gus Tyler

IN "SOURCE," the official publication of the Republican National Committee, there appears an intriguing short piece under the title: "The Reagan Economic Program: An Agenda for All Americans." The brief item makes it clear that "all Americans" very specifically includes "black Americans."

Here is a word-for-word repetition of this most unusual story:

"BLACK UNEMPLOYMENT declined from 10.7 percent to 6.4 percent during the '60s, but increased from 6.4 percent to 11.3 percent during the '70s.

"Black unemployment declined faster than white unemployment during the '60s, but rose faster during the '70s.

"Between 1959-69, a decade of growth and private prosperity, median black family income, in constant dollars, rose 6.4 percent—from $7,200 to more than $11,800.

"Yet, between 1969-1979, the decade of public sector prosperity, real black median income declined by 3 percent."

THAT'S THE full account. It makes two points: first, that blacks did much better in the 1960s than in the 1970s; second, that jobs and income fell in the 1970s because of "public sector prosperity," whatever that means.

Now let's tap our memory banks. Who were the Presidents of the United States in the 1960s, when things were going better—jobs and income—for the blacks? For eight of the ten years, the Presidents were Democrats John F. Kennedy and Lyndon Baynes Johnson.

In the 1970s, Republican Richard Nixon and Gerald Ford were in the White House for seven of the 10 years. That decade of the '70s included the deep recession year of 1974-75.

IF ANY conclusion is to be drawn from the the GOP figures, Democrats do better than Republicans for black America.

Putting parties aside, the '60s, were characterized by expansionist policies, a desire to grow. The '70s were marked by restrictionist policies, a decision to create unemployment on the theory that, if people were out of work and could not buy, prices would not climb so rapidly.

As to that statement about "public sector prosperity," the implication that government was spending too much in the '70s seems strange since those years were dominated by Republican Presidents who were busy impounding funds and pinching pennies.

ACTUALLY, the government was tightening up on spending in that decade. Federal employment was 4.19 percent of all wage and salaried people in 1960, but at the end of the '70s was down to 3.16 percent. Government spending (purchases) fell from 10.60 percent of the gross national product in 1960 to 8.77 percent by the end of the 1970s.

This should not come as a surprise, of course, since all three Presidents in the '70s—Nixon, Ford and Carter—believed that "cooling the economy," including the public sector, was the way to check inflation. As we know, these painful policies did not hold the price line, but they did do much damage to America, including its minorities, as "Source," the voice of the GOP, so succinctly proves.

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New Cuts Jeopardize Social Security Lifeline

The economic security of most Americans depends on social security. They rely on it to safeguard themselves and their families against economic catastrophe when earnings stop because of old age, disability or death.

That economic security is now in jeopardy because the Reagan Administration has proposed further cutbacks in addition to those enacted at its insistence last year.

The AFL-CIO supports all efforts to deal with social security problems truly aimed at improving the financial stability of the system and safeguarding its basic protections. We oppose all efforts to make unwarranted cuts based on exaggerated funding problems.

We will fight any further cuts in Medicare. We will do everything possible to thwart the denial of benefits to the disabled.

—From AFL-CIO Executive Council statement, Feb. 19, 1982, Bal Harbour, Fla.

COPE Panel Clarifies Role In Coalitions

Bal Harbour, Fla.—The COPE Administrative Committee issued a clarification of the policy encouraging state and local AFL-CIO councils to work in community coalitions with other groups that share labor's objectives.

The committee, which includes the members of the AFL-CIO Executive Council and is chaired by President Lane Kirkland, made it clear that in the endorsement of political candidates no state or local AFL-CIO council may "in any way compromise its options, its freedom of action or its sole responsibility to make its own endorsement decision and act on behalf of candidates according to the Rules Governing Committees on Political Education of State & Local Central Bodies," as adopted by the council, Feb. 26, 1973.

THESE BYLAWS do not rule out consultation with other like-minded groups over candidate support, the committee statement noted, but they do require "that endorsement action and subsequent follow-up by any AFL-CIO body is to be made by the state or local AFL-CIO council on its own, not jointly with one or more non-AFL-CIO groups."

Within these strictures, the statement said, "AFL-CIO state and local councils may work with—but not under the direction or control of—other organizations which share our political goals."

The policy clarification was adopted at a meeting of the COPE Administrative Committee between sessions of the Executive Council's winter meeting here. About 150 officers and staff members of AFL-CIO unions took part in the discussions.

IN OTHER ACTION subsequently approved by the AFL-CIO Executive Council, the committee established a new category of "limited endorsements" by state and local AFL-CIO councils to take account of situations where the preferred candidate's commitment to labor's legislative goals is questionable and his or her record is "at best marginal" on key AFL-CIO issues.

The "limited endorsement" would allow a state or local council to express a preference "in a manner that indicates the endorsement carries with it a limit to the council's effort and funding for the candidates so endorsed."

LOCAL ENDORSEMENT guidelines were on the agenda of the COPE Administrative Committee, in a session held during the Executive Council meeting. Some 150 union officers and staff members took part in the discussions.

Goals, Structure Outlined For Public Affairs Institute

Bal Harbour, Fla.—The AFL-CIO's new Institute of Public Affairs was set in motion by the Executive Council as it outlined the structure of the institute and defined its mission.

Creation of the institute was authorized by the council last fall, and financing was approved by the convention in adopting the increase in per capita payments by affiliates to the AFL-CIO.

THE COUNCIL approved a report of its Committee on Public Relations setting forth the goal of the institute "to improve the ability of the AFL-CIO and its affiliates to take full advantage of the rapidly expanding technology of modern electronic means of communication."

This will involve a program of direct communication with the union constituency and the general public "to increase and improve their appreciation of labor's point of view on the crucial economic, political and social issues of the day." A key objective is to counter the domination of the media by conservative, anti-union and big business interests with superior financial resources.

The institute will operate from AFL-CIO headquarters as a non-profit corporation governed by a board of 15 directors, 10 of whom will come from the AFL-CIO Executive Council with the federation president serving as chairman. Five public board members will be drawn from mass communications, public opinion research and allied fields.

TO PROVIDE coordination and continuity with the federation's overall communications program, the director of the AFL-CIO Dept. of Information will serve as president of the institute and will be assisted by an advisory committee made up of the public relations directors of affiliated unions.

A small professional staff will be headed by an executive director with the experience and ability to deal with all aspects of modern communications technology, program production, marketing and public opinion research. The staff would be organized as a "mutually supporting triad" to provide specialization in these fields and assure that the institute's products will be effective and efficient.

"THE POLICY will be to achieve the greatest communication impact possible for the money spent," the report said.

Among the specific objectives outlined in the report are:

- A labor-oriented television program at a regular time and available to the maximum audience.
- Development of a new system for measuring public opinion, especially within labor's constituency, and its application to a broad spectrum of issues.
- The compilation of market information to provide a base for developing the most cost-effective ways of reaching the widest possible audience.
- The use of sub-contractors for all program preparation under the supervision of the executive director.
- The taping and distribution of activities at AFL-CIO headquarters and the George Meany Center for Labor Studies and the training of union officers and staff members to make the best use of the media.
- Organization of a library of materials produced for the institute and by affiliates, along with collections of video and audio tape, film and relevant printed materials.
- The availability of the services, expertise and counseling of the institute and its staff to all affiliates.

Boycott Called Against Struck Kosmos Cement

Bal Harbour, Fla.—The Kosmos Ce-Co. is the target of a new AFL-CIO national boycott sanctioned by the federation's Executive Council at the request of the Cement, Lime & Gypsum Workers.

Twenty-five years of "stable and fruitful" labor relations were disrupted in 1980 when the Kosmosdale, Ky., firm was sold to Moore McCormack Resources, Inc., and the conglomerate refused to honor the existing contract with CLGW, the council said.

DESPITE 18 bargaining sessions after Moore McCormack took over, the union was not able to reach a new agreement with the company by March 1981. The company then unilaterally put its "last offer" into effect, cutting wages, holidays, vacations and numerous work rules, the council reported. The Kosmos employees were cut off from the benefits of CLGW's master agreement.

The workers struck May 8, 1981, and day and night picket lines have been maintained since then. The CLGW launched boycott activities against four Kosmos products in July 1981: Kosmos Portland Cement, Kosmos High Early Cement, Kosmos Air Entraining Cement and Kosmortar Masonry Cement.

Moore McCormack is a conglomerate involved in the cargo shipping, coal, coke, oil and natural gas, iron ore and cement industries.

IN OTHER ACTION, AFL-CIO Sec.-Treas. Thomas R. Donahue presented to the council the annual audit of boycott activity prepared by the Union Label & Service Trades Dept.

Products shifted to the federation's "unfair list" include: Miss Goldy's Chickens, requested by the International Chemical Workers; Charketts, Grill Time and Star Grill charcoal briquettes and Sparky Lighter Fluid and Hickory Chips, requested by the Woodworkers; and Perdue Farms poultry products, requested by the Food & Commercial Workers.

The council urged continued boycott action nationwide against Coors Beer, Fabrege cosmetics, Marine Optical products, New Galax mirrors, Procter & Gamble soap products, Red Coach lettuce, R. J. Reynolds tobacco products, and Seattle-First National Bank.

State Fund Systems Backed For Workers' Compensation

Bal Harbour, Fla.—The best and cheapest way for states to handle the rising cost of workers' compensation is through exclusive state funds, not by punishing workers with benefit cuts, the AFL-CIO said.

American workers deserve "adequate and equitable" workers' compensation protection, the federation's Executive Council declared at its winter meeting here. But just when state systems need improvement, efforts are underway to gut existing state laws, the council pointed out.

THE DAMAGING "wage-loss" compensation system recently enacted in Florida is a particular concern and is being viewed as a model for other states, the council noted. Under the wage-loss concept, eligibility for permanent partial disability benefits is limited to those workers whose disability results in lost wages.

Most injuries that result in some form of permanent impairment would go uncompensated unless lost wages are involved.

The wage-loss system "fails to consider the total impact of permanent partial disability on the lives of workers and their families," he council said. It pointed out that even if there is no immediate wage loss, "these impaired workers often lose the ability to engage in their normal everyday, non-work activities and more often experience a reduction in their ability to earn wages in the future."

Employers favor the wage-loss system because they are facing escalating costs in workers' compensation premiums, the council observed.

But to lower premium costs this way, the council said, "million of workers with permanent impairments would be deprived of workers' compensation benefits to which they are entitled. The wage-loss system would force these workers to bear the cost of their injuries."

The best alternative is an exclusive state fund, the AFL-CIO said, pointing out that in the six states that have such funds, costs to employers are much lower than in states where private insurance companies handle coverage.

Exclusive funds are in place in Ohio, Washington, Nevada, North Dakota, West Virginia and Wyoming.

OHIO LABOR led a vigorous, successful fight in last November's elections to defeat a proposal that would have allowed private insurance companies to replace the state fund, the largest of its kind.

Another advantage of exclusive state funds, the council noted, is that investment income is retained to pay benefits and reduce employer costs. Overhead expenses and profit margins are unnecessary.

A sound workers' compensation system is "vital to the economic welfare of every worker," the council said, declaring that the "wage-loss" approach "violates the principles of adequacy and fairness" that are essential to such a system.

Dick Wilson Appointed Deputy COPE Director

Bal Harbour, Fla.—AFL-CIO President Lane Kirkland has appointed Dick Wilson deputy director of COPE, serving under John Perkins, who held the post until his recent appointment as COPE director.

Wilson, 46, has been a staff assistant in the AFL-CIO Dept. of Organization & Field Services since December 1978. A native of Buffalo, he previously served on the staffs of several national unions, including the Auto Workers and the State, County & Municipal Employees.

Kirkland also announced two other staff assignments in COPE. Rufus R. (Butch) Foutz, secretary-treasurer of the Virginia State AFL-CIO was named COPE data processing coordinator and Frances Kenin of the COPE research staff will be on leave four days a week to handle labor liaison with the Democratic National Committee.

Foutz, 38, has been secretary-treasurer of the Virginia AFL-CIO since 1976 and helped bring the state federation into the COPE computer program. He was previously an organizer for the Food & Commercial Workers, AFSCME and the Laborers.

Kenin, 37, has worked in COPE research since 1977 and earlier was a COPE intern. She is a native of Vermont and a graduate of Trinity College.

OSHA Draws Sharp Protest On Shutdowns

Members of Congress have sharply criticized the Reagan Administration's plans to shut down 41 federal job safety offices and field stations, as well as its continuing attempts to break up the headquarters operations of the National Institute of Occupational Safety & Health.

At a Capitol Hill press conference, they joined the AFL-CIO in concern that the Administration's actions will have severe impact on worker safeguards—which had already been cut back last year by slashes in the Occupational Safety & Health Administration budget.

PARTICIPATING in the protest were Maryland Democrats Sen. Paul S. Sarbanes and Representatives Michael D. Barnes and Steny Hoyer and District of Columbia Delegate Walter Fauntroy.

AFL-CIO Occupational Safety Director George H. R. Taylor noted that a third of OSHA's enforcement offices will be affected by the proposed shutdowns throughout the country.

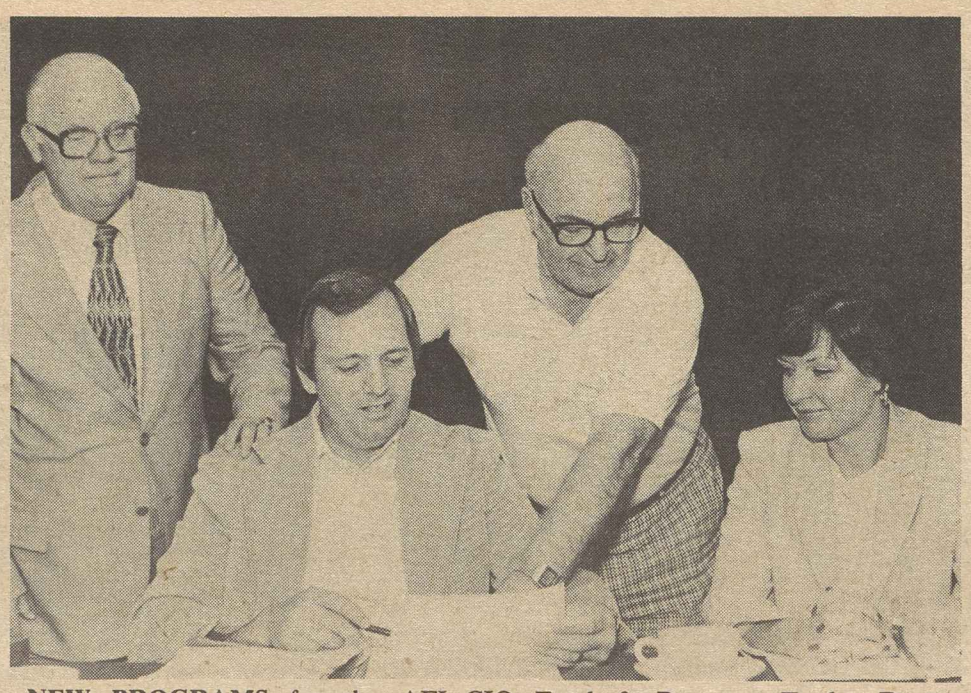
He said the closings mean that 372 enforcement positions will be eliminated, leaving fewer than 1,200 inspectors responsible for the health and safety of more than 50 million workers.

TAYLOR ALSO pointed out that despite a congressional prohibition, the Dept. of Health & Human Services has not backed off from its attempts to dismantle NIOSH.

Sarbanes, noting that he and Sen. Thomas Eagleton led an effort to block the use of federal funds to finance the NIOSH breakup, said he was "shocked that the Administration has now taken steps to transfer both individuals and functions from the NIOSH headquarters in the Washington area to Atlanta and Cincinnati."

Sarbanes said he expected the Senate Appropriations Committee to question Administration officials on the banned NIOSH shift next month.

While the Capitol Hill protest focused primarily on the impact in the Mid-Atlantic states, Taylor said unions are organizing similar protests in 15 other states affected by the OSHA closings.



NEW PROGRAMS for the AFL-CIO Food & Beverage Trades Dept., including a series of organizing conferences, are reviewed by FBTD President Robert F. Harbrant, seated left, and Sec.-Treas. Rhonda Allgaier with department Vice Presidents J. C. Turner, standing left, and John DeConcini.

Budget Proposals Threaten National Health Care Crisis

Bal Harbour, Fla.—Additional cutbacks in President Reagan's budget for fiscal year 1983 would turn America's mounting health care problems into a national crisis, the AFL-CIO warned.

Citing the sharp reductions in federal programs last year that stripped at least a million poor persons of Medicaid benefits and increased charges to the elderly for Medicare, the Executive Council noted that most of the proposed new budget cuts would come in health care and public welfare programs.

"IN THE FACE of large-scale deprivation of needed health care and rapidly escalating medical costs, the Administration has done nothing to control medical cost inflation or assure access to care," the council charged.

Adding to the problems, it noted, are the millions of workers and families who lose health care coverage as they lose their jobs.

The statement stressed that health care workers are not the cause of the escalating health care costs. Since 1972 real wages have fallen 5 percent for hospital workers and more than 12 percent for nursing home employees.

"Even before the Reagan Administration took office, some 40 million Americans lacked public or private health care coverage," the statement pointed out. "In the last year, the number of persons without protection for care financing has risen significantly."

THE COUNCIL said the Administration has gutted programs that provided a wide range of health care services that the jobless, the needy and the working poor depended on.

"To the disastrous health care crisis the nation faces, the Reagan Administration offers only one response—its so-called 'competition' proposal," the council charged.

This plan, through the use of tax gimmicks, would put a ceiling on employer payments for health insurance and thus build pressure to reduce health care coverage achieved through collective bargaining. Tax rebates would be offered to entice employees to choose the lowest cost plans with the worst health care cost protection.

WHILE SEVERELY restricting health care protection, the "competition" proposal would do nothing to expand affordable coverage to unprotected Americans or put controls on doctors' fees and hospital charges, the council pointed out.

It said the federation will continue to oppose the Administration's "competition" measure in Congress, declaring that "the only way to assure all Americans access to quality health care they can afford is through enactment of universal comprehensive national health insurance."

Until that goal is achieved, the council said, genuine health care cost controls would be beneficial through negotiated budgets with full worker and patient protections for hospitals and negotiated fair fee schedules for physicians.

"WE WILL fight any further cutbacks in Medicare, Medicaid and other programs which provide health care for the poor, the elderly, the disabled and other disadvantaged Americans," the council pledged. "We will strive for legislation maintaining health care protections for workers who lose their jobs."

The council also said it supports legislation that would permit states to restore coverage for the working poor who are deprived of Medicaid benefits when they are no longer eligible for welfare.

CORRECTION

A photo caption on Page 7 of the Feb. 20, 1982, issue of the AFL-CIO News incorrectly identified Maritime Trades Dept. Vice President Stephen J. Leslie as president of the department. The MTD president is Frank Drozak, who also appeared in the photo.

A caption on Page 6 of the same issue misspelled the name of George J. Francisco, president of the Firemen & Oilers.

Job Training Pressed To Aid Recovery

Bal Harbour, Fla.—Federal programs to train the jobless and disadvantaged should be expanded during this period of "rising unemployment, deepening recession and rapid technological change," the AFL-CIO Executive Council urged.

The council protested the Reagan Administration's dismantling of employment and training programs, abandonment of the federal government's mandate to promote full employment, and cutbacks in job placement services.

"THE AMERICAN workforce has been dealt a brutal one-two punch," the Executive Council charged. Its "trickle-down economic policy has sent unemployment toward record levels at the same time the Administration is reducing the programs which can help the jobless find work."

Congress will be considering legislation to replace the Comprehensive Employment & Training Act (CETA), which expires this September, and the council urged that any new national program should build on CETA's accomplishments.

IT SAID the costs of CETA training programs have been "repaid to the nation in the new skills, higher wages and consequent taxes paid."

The council stressed the importance of "stable, long-term financing by the federal government" for programs "aimed at providing the unemployed with marketable skills." It urged an equal partnership of labor, government and business in shaping effective programs.

"If necessary, the government must be the employer of last resort," it stressed.

The council statement cited the successful programs sponsored by various unions, by the AFL-CIO's Human Resources Development Institute and by civil rights organizations.

"THE EXPERIENCE of the various outreach programs should be translated into a greater effort to bring the most disadvantaged groups into the active workforce," it said.

Other recommendations included:

- Continuation of programs to provide basic literacy training to adults, and provisions for payments to participants.
- Federal standards for private-sector training programs to avoid exploitation of trainees and undercutting of wage, health and safety hazards.
- Rejection of "workforce" programs that require welfare recipients to work off their payments at minimum-wage jobs.
- Elimination of subsidies to employers through tax rebates or direct wage payments.

Council Pledges New Efforts for ERA Ratification

Bal Harbour, Fla.—The AFL-CIO, its state federations and trade unionists will intensify efforts to win ratification of the Equal Rights Amendment in the crucial four months before the deadline for passage expires, the federation's Executive Council pledged.

The council urged stepped-up efforts for ratification in the states eligible to act on the proposed amendment. Three more states must vote in favor of ERA before the June 30, 1982, deadline.

At the council's winter meeting here, AFL-CIO President Lane Kirkland named a special subcommittee to work with labor federations in states where ratification is still possible. The members are AFL-CIO Vice Presidents John J. Sweeney, Gerald W. McEntee, Joyce D. Miller, Glenn E. Watts and Barbara Hutchinson.

The states whose legislatures will be pressed to approve the amendment include Alabama, Arizona, Florida, Georgia, Illinois, Mississippi, Missouri, Nevada, Oklahoma, South Carolina and Virginia.

March Calendar Posted By Labor Studies Center

The George Meany Center for Labor Studies will offer four training institutes in March at its Silver Spring, Md. campus. The subjects are arbitration, labor law, issues for union women and media relations.

Six unions and the American Institute for Free Labor Development will use the campus for their own training programs during the month. The center will also sponsor two programs off campus. The schedule:

Arbitration: Preparation and Presentation, Feb. 28-Mar. 5—An opportunity to prepare a case for hearing and present it before a professional arbitrator. Selection of arbitrators and the law of arbitration are covered.

Labor Law, Mar. 7-12—A short course for non-lawyers covering statutes on internal union affairs, organizing, collective bargaining, duty of fair representation, equal opportunity, ERISA and OSHA.

Issues for Union Women, Mar. 14-19—A seminar for union leaders of both sexes who need to deal effectively with the concerns of women members.

Better Media Relations, Mar. 28-Apr. 2—A workshop for national and international union officers to help them deal more effectively with local television, press and radio. This program is co-sponsored by the AFL-CIO Dept. of Information.

Unions using the campus for their own leadership training during March are the Communication Workers, Feb. 28-Mar. 12 and Mar. 7-12; Flight Attendants, Mar. 1-5; Fire Fighters, Mar. 7-12; Railway & Airline Clerks, Mar. 14-19; Carpenters, Mar. 21- 26, and Service Employees, Mar. 28-Apr. 2.

AIFLD will bring to the campus on Mar. 15 its 101st class of Spanish-speaking trade unionists from Latin America. They will study here until Apr. 23.

Off campus, the center will sponsor an institute for building trades business agents, Feb. 28-Mar. 5, at the University of Oregon, Eugene; and a pension investment seminar, Mar. 10-12, in Los Angeles.

Information on these and other labor studies may be obtained from Fred K. Hoehler, Jr., executive director, George Meany Center, 10000 New Hampshire Avenue, Silver Spring, Md. 20903. Telephone 301/431-6400.

Worldwide Crisis

OECD Sessions Asked To Focus on Job Needs

Bal Harbour, Fla.—Resolving the worldwide unemployment crisis should be a primary concern of the Organization for Economic Cooperation & Development at upcoming summit conferences, the Executive Council urged.

The council called on the OECD Ministerial Council to work closely with the organization's Trade Union Advisory Committee in developing policies on full employment and job creation.

"UNEMPLOYMENT is a crisis not only in the United States, but throughout the world," the council statement observed. "National efforts to cope with this crisis must be paralleled by increased international cooperation."

Unemployment in the 24 OECD industrialized countries has increased to almost 30 million the council stressed.

At the first of two international conferences dealing with critical economic problems, the Ministerial Council will meet May 10 in Paris to adopt a policy paper that will be presented to the OECD summit conference in Paris June 4-6. Seven leading industrial countries—Britain, Canada, France, West Germany, Italy, Japan and the United States—will be represented at the June conference.

In a policy memorandum that the Trade Union Advisory Committee will present to the conference, the council said the AFL-CIO will emphasize the need for the OECD ministers to give priority to full employment policies.

"THE FIGHT against unemployment is not in conflict with the fight against inflation," the council said. "However, many of the policies adopted to curb inflation, particularly high interest rates, have not only created more unemployment but also resulted in higher inflation."

The council said job creation should be accelerated in a number of specific programs such as public employment, shorter working hours and increased investment in public infrastructure and productive industries.

Special attention should be directed to the construction industry, including new housing and rehabilitation of older homes; urban renewal, public transportation, energy conservation and development of alternative energy sources, problems of international trade, and the rebuilding of industrial bases.

THE COUNCIL urged that policies adopted by the OECD ministers be coordinated with trade unions, both on a national and international basis.

"Unless there is a comprehensive accord and continuous cooperation with trade unions in the solution of the problems as they arise," the statement said, "the governments of the industrialized countries are likely to pursue in the future—as they did in the past—policies which are dictated by abstract economic doctrines rather than by the need to put an end to the economic slump."

Calling the need for increased international economic cooperation "more urgent than ever," the council urged follow-up negotiations with industrial and developing countries that don't participate in the summit conferences.

RECOGNITION of support for programs benefiting public employees is conveyed to Rep. Claude Pepper (D-Fla.) by the AFL-CIO Public Employee Dept. at its executive board meeting in Bal Harbour, Fla. Making the presentation is PED President Kenneth Blaylock of the Government Employees, right. Others, from left, are PED Sec.-Treas. Albert Shanker of the Teachers, Department Director John Leyden, President John J. Sweeney of the Service Employees and President Vincent R. Sombrotto of the Letter Carriers.

Food Trades Set Spring Meetings On Organizing

Bal Harbour, Fla.—The Food & Beverage Trades Dept. announced plans for conferences in five cities this spring as part an "aggressive" organizing campaign.

Details of the program, which includes use of available corporate information to neutralize employer hostility, were discussed during a two-day meeting here of the department's executive board. The organizing conferences have been scheduled for Minneapolis, Denver, Kansas City, Detroit and Atlanta.

A major resolution adopted by the board expressed concern at the Reagan Administration's proposal to bring in 50,000 "guest workers" from Mexico "in a time of economic depression" and to allow foreign nationals to work in any type of employment.

The board resolved to "resist the addiction of this nation to a supply of guest workers through all possible public and legislative channels."

It reiterated continued support for "compassionate reform of our immigration laws, free from the blemish of exploitation, racial and social prejudice."

Internal Disputes Mediator, Appeals Committee Named

Bal Harbour, Fla.—AFL-CIO President Lane Kirkland has appointed a nine-member Appeals Committee and a permanent mediator to deal with internal disputes under amendments to Article XX of the federation's constitution adopted at the last convention.

Besides Kirkland and Sec.-Treas. Thomas R. Donahue, the Appeals Committee will include Vice Presidents John H. Lyons, Lloyd McBride, John J. Sweeney, Gerald W. McEntee, William H. Wynn, Frank Drozak and John DeConcini.

DESIGNATED AS the permanent mediator is John N. Gentry, who was Under Secretary of Labor in the Carter Administration and before that a top adviser to the Council on Wage & Price Stability. He also held a number of posts in the Labor Dept. in the 1960s under former Labor Sec. W. Willard Wirtz.

The appointments follow through on actions taken by the convention to streamline the internal disputes procedures, based on the recommendations of the Executive Council.

The council said the availability of a permanent mediator would speed consideration of cases, and use of an Appeals Committee would conserve the time of the full council. While the rulings of the committee will be final, the council as a whole retains authority to issue policy statements "having prospective effect on the implementation of Article XX" for the guidance of impartial umpires, council subcommittees and the Appeals Committee.

UNDER THE constitution, no more than four vice presidents may be nominated for a second two-year term on the Appeals Committee and no vice president may serve more than two terms.

The council also received a report from Donahue on the operation of the internal disputes procedures through last Dec. 31. It showed that for the year 1981, 65 new cases were filed and 33 were pending at the start of the period. Of the total of 98 cases, mediation resulted in settlement of 49 cases, and 16 cases remained pending at the mediation level. Umpires' determinations found violations in 24 cases and no violations in eight, with a justification report issued in one case.

Twelve appeals were pending at the start of the period and 22 others were filed. At the subcommittee level, the determinations of impartial umpires were sustained in 12 cases; appeals were withdrawn in two; six cases were referred to the Executive Council, and 14 were pending at the end of the period. At the council level, one appeal was withdrawn; the determinations were affirmed in two cases, and set aside or modified in three.

THERE WERE 20 non-compliance complaints pending at the start of the period and 11 were filed during the year. Subcommittee action achieved compliance in six cases and found non-compliance in one. Eleven cases remained actively pending while 13 others were listed as non-active.

Three affiliates remain in non-compliance and currently are under Article XX sanctions: the International Typographical Union, the Graphic Arts International Union and the National Association of Broadcast Employees & Technicians.

United Way Urged to Adopt Labor Policy

Bal Harbour, Fla.—The AFL-CIO called on the United Way of America to establish a national labor policy to provide guidelines for itself and its local United Ways in dealing with unions and their members.

Approving the report of an ad hoc committee considering two resolutions on the subject referred by the convention, the AFL-CIO Executive Council said the United Way should incorporate a statement setting forth the proposed national labor policy in its "Basic Guidelines for Local United Way Organizations."

THE COUNCIL noted that AFL-CIO unions whose members contribute millions of dollars to United Way campaigns to fund the work of voluntary service agencies often find themselves in bitter disputes with the very agencies they help to finance over employee organizing and contract rights.

"While the AFL-CIO recognizes that the United Way cannot dictate policy to its member organizations, it can establish —and promote—policies consistent with federal law, as it has done for many years in the area of civil rights," the council observed.

"A national labor policy that clearly supports the rights of all workers to organize and bargain collectively and provide for wage standards protection through such federal laws as Davis-Bacon and the Service Contract Act would establish the United Way's position on labor-management relations and set a standard for its local United Ways and member agencies."

The council also urged its members who serve on the United Way board of directors to work for the adoption of a national labor policy by the organization and to enlist the support of the federation and its affiliates to achieve that objective.

THE AD HOC committee was headed by Vice President Sol C. Chaikin and included as members Vice Presidents Joyce D. Miller, Glenn E. Watts, J. C. Turner, Gerald W. McEntee and John J. Sweeney.

Approving the report of a separate committee, the council dealt with ten other resolutions referred by the convention, adopting two (one with a minor amendment), referring three to other council committees, voting non-concurrence with two and finding that no action was necessary on two. The subject of another was considered covered by one of the adopted resolutions.

The two adopted resolutions call for:

- Reaffirmation of AFL-CIO policies on the licensing and regulation of broadcast facilities, the funding and control of public television, the application of the equal time and fairness doctrines, the breakup of newspaper chain ownership, and ownership of newspaper and broadcasting facilities.
- Appointment or election of qualified labor representatives to state humanities committees.

The council voted non-concurrence with a proposal to prohibit election projections or reports of voting results while polls are still open in some parts of the country. The council said the proposal raised questions concerning freedom of information "and fails to deal adequately with many of our concerns."

The other resolution subject to non-concurrence dealt with the "notch" or gap in benefits created by 1977 amendments to the Social Security Act. The council said the proposed remedy would be too costly and that other social security issues deserve greater priority.

NO ACTION was deemed necessary on measure calling on the AFL-CIO not to meet in Florida until the Equal Rights Amendment is ratified, with the council noting that Florida has been exempted from the boycott of the National Organization of Women because of the unanimous support of ERA by Dade County representatives.

The Executive Council also concluded that a resolution calling on the federation to mail parcels through the U.S. Postal Service was unnecessary because the AFL-CIO already uses the USPS for its mailings to the maximum extent feasible.

Members of the referred resolutions committee which submitted the report are Sec.-Treas. Thomas R. Donahue and Vice Presidents Sweeney, Watts and Martin J. Ward.

Otero Named to Panel On Hispanic Research Center

Chicago—Jack Otero, executive vice chairman of the Labor Council for Latin American Advancement, has been named to an advisory board to oversee a study on establishing a Hispanic research center at the University of Chicago.

The study will be conducted under a $250,000 planning grant from the Columbia Broadcasting System to the university's National Opinion Research Center.

Council Asks Restoration Of Jobless Aid

Bal Harbour, Fla.—Congress should rectify the "ill-considered cuts" it inflicted on the unemployment insurance system over the past two years, the AFL-CIO Executive Council urged.

Because of those cutbacks, it charged, large numbers of workers left jobless by the recession face serious hardships after having used up their maximum 26 weeks of state unemployment insurance payments.

IN PAST recessions, the national insured unemployment rate would have triggered-on additional weeks of extended benefits in every state. But the council pointed out that Congress both eliminated the national trigger and changed the rules so as to make it more difficult to trigger-on statewide programs.

The Executive Council statement noted also that jobless workers receiving extended benefits can now be compelled to take minimum-wage jobs, and that still further restrictions are scheduled to take effect in October.

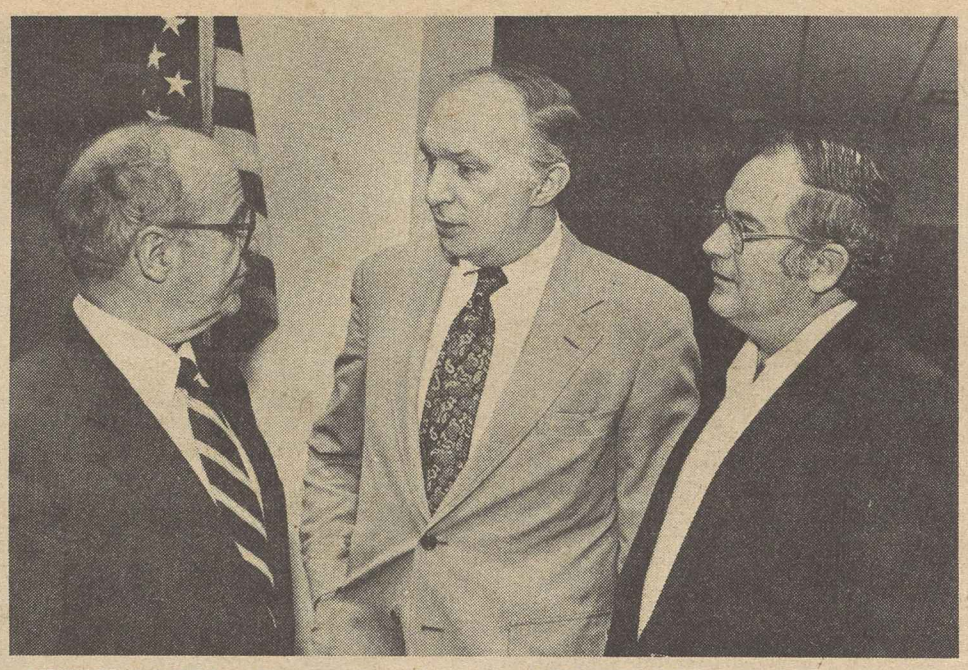
It called on Congress to restore extended benefit protections to levels of past recessions and to finance the additional payments with general revenue funds "as the National Commission on Unemployment Compensation has recommended."

The U.S. Employment Service is "the primary resource for jobless workers in seeking employment," the council said. But the recent restoration of funds cut from the program in the last wave of Administration and congressional budget-slashing undid only part of the damage, and the funding level remains below that of 1980. "At the very least," the council insisted, appropriations should be brought back up to the 1980 level.

THE COUNCIL endorsed a reinsurance mechanism recommended by the national commissions "to restore financial solvency to the system."

It also suggested that Congress take the unemployment insurance system out of the unified federal budget, as was the case before 1968.

Unemployment compensation is basically financed by payroll taxes and administered by the states, the council noted. But because its expenditures are reflected in the federal budget, it has been a target for cutbacks "simply for budget-reducing purposes," it stressed.



UNION LABEL officers, elected at the AFL-CIO Union Label & Service Trades Dept.'s winter executive council meeting in Bal Harbour, Fla., are congratulated by Federation Sec.-Treas. Thomas R. Donahue. John E. Mara, left, president of the department since January 1980, will take office as secretary-treasurer Mar. 1 to fill the unexpired term of Earl D. McDavid. James E. Hatfield, right, president of the Glass Bottle Blowers, was elected as the department's new president. McDavid, who had been secretary-treasurer of the UL&STD since 1975, retired from that post and will remain on the department's staff as its West Coast regional representative. Mara is a vice president of the Food & Commercial Workers.

Dispute Procedures Adopted By Bricklayers, Contractors

Bal Harbour, Fla.—The Bricklayers and a national employer association have agreed on a disputes settlement plan designed to avoid work stoppages and resolve impasses at the bargaining table.

The agreement between the union and the Mason Contractors Association was based on a plan developed by Harvard Prof. John T. Dunlop, the former Secretary of Labor and an authority on construction industry union-management relations. It was an undertaking of the International Masonry Institute, a joint labor-management trust fund.

UNDER THE three-step process:

- The international union and the employers' association will set up procedures to monitor collective bargaining negotiations involving local affiliates, "to learn of the facts and the issues in dispute and to be informed of the proposals and steps local parties have taken to reach agreement."
- The union and the association will set up procedures for mediation of local-level disputes, "including resort to fact-finding with recommendations or voluntary arbitration." The national parties may use their own representatives, public mediators or private neutrals "as may be most appropriate."
- If these procedures do not resolve the dispute, the two organizations will utilize "in a limited number of cases of special significance" a procedure for final and binding arbitration.

AFL-CIO PRESIDENT Lane Kirkland termed the plan "another positive step forward by two organizations with a long history of labor-management cooperation."

He took part in a news conference dealing with the national agreement, along with Dunlop, Bricklayers President John T. Joyce and Contractors Association President Donald O. Leonard.

Joyce said the union supported the plan as a means of helping its locals "serve their members more effectively and, at the same time, contribute to the overall improvement of the masonry industry."

Bricklayers Executive Vice President L. Gerald Carlisle and George A. Miller, his counterpart in the employers group, will be in charge of day-to-day operations of the program.

DUNLOP STRESSED that the plan was designed to assist and improve local bargaining, not just avert work stoppages over contract terms.

The agreement allows other union or employer groups engaged in masonry construction to become parties to the plan or make use of its procedures in particular cases with the consent of the Bricklayers and the Masonry Association.

Real Earnings of Families Continue Decline over Year

(Continued from Page 1)

lies, including households with multiple earners, increased only 6.5 percent to $442 last year—leaving a greater gap in buying power.

Over the year, the number of families with one or more unemployed members rose 800,000 to 6.6 million. Of the total, 1.8 million had no wage earners and thus were not tallied in the determination of average earnings.

Among full-time individual workers, the BLS report showed white males with the highest pay levels, but with women and minorities of both sexes making some progress in narrowing the gap.

Based on census surveys, median earnings for men last year were $361 a week, down 1.3 percent in terms of buying power from the previous year. The median pay of women was substantially less, $232, but it represented a "real" increase of 0.7 percent.

BLACK MEN earned about 77 percent as much as white men, but gained 1 percent in "real earnings" over the year.

While the earnings of women were only 64 percent those of men, there was less of a racial gap with the median earnings of black women about 93 percent of the pay of white women. Among both sexes, the median pay of Hispanics slightly trailed that of blacks.

In family earnings, households where both a husband and wife were employed slipped 1.4 percent over the year in real earnings. But families not headed by married couples lost greater ground. Families whose only wage-earner was a woman lost 4 percent in buying power from the previous year.

GOP Spending in '80 Tops Democrats 5 to 1

Republicans outspent Democrats by nearly five-to-one in the 1980 congressional and presidential elections, the Federal Election Commission reported.

The final spending tallies show GOP expenditures totaling about $170 million for the 1979-80 period, compared to $35 million by the Democrats.

In the previous presidential-year election, the difference was less—$40.1 million for Republicans and $17.6 million for Democrats.

In separately tallied spending by political action committees, the top spender was the National Conservative Political Action Committee, which spent $7.5 million to help defeat liberal Democratic senators and elect Republican conservatives.

Budget Battle Taking Shape In Congress

(Continued from Page 1)

hearing aids, the returning representatives and senators said almost without exception.

In the Republican-controlled Senate, Budget Committee Chairman Pete V. Domenici (R-N.M.) saw "no significant chance" of the Reagan budget being accepted. Finance Committee Chairman Robert Dole (Kans.) said he will fight any further cuts in food stamp assistance, and Senate Republican Leader Howard H. Baker, Jr. (Tenn.) proposed a series of tax increases he thought Congress should consider despite Administration opposition.

But the general and bipartisan dissatisfaction with the deficit-laden Reagan budget didn't spell consensus on alternatives. Some proposals for bringing down the deficit focused on further cutbacks, rather than modification of the "supply-side" tax cuts Congress enacted last year to benefit chiefly wealthy individuals and the most prosperous corporations. Thus, the U.S. Chamber of Commerce called for additional cuts of up to $33.5 billion—on top of the Reagan proposals.

MAYORS AND governors, however, continued to hammer away at further damage threatened by the Reagan budget.

The U.S. Conference of Mayors issued a stinging indictment of the folly of ending training programs "when people most need job training," and reducing housing assistance "when people most need housing."

The mayors protested cuts in nutrition, health and education programs, in help for both young people and the elderly.

From the non-partisan Congressional Budget Office, which serves both the House and the Senate, came an assessment that five out of six households receiving food stamps would have their benefits cut or eliminated entirely under the Administration budget proposals. The new cuts would come on top of last year's reductions that dropped about one million people from the rolls. Ninety-two percent of the elderly receiving food stamps would be hurt.

THE WHITE HOUSE, meanwhile, sent conflicting signals as to the President's willingness to compromise with Congress.

For example, Budget Director David Stockman promised the House Budget Committee that the President "will look hard at a good-faith effort" by Congress to come up with an alternative. But hours later, White House aides were quoted as cautioning members of Congress against reading too much into Stockman's remarks. While Reagan is willing to listen, he has not changed his "no compromise" position, the White House indicated.

Arms to Jordan Viewed as Threat To Peace Efforts

Bal Harbour, Fla.—The AFL-CIO opposes the sale of F-16 fighters and mobile Hawk missiles to Jordan, the Executive Council asserted.

The council called on the Reagan Administration to reaffirm its support for Israel, "America's reliable friend and ally in the Middle East," and to curtail the "dumping of additional sophisticated weapons into countries unfriendly to Israel and the Camp David peace process.

Conflicting statements from Administration officials, including some attributed to Defense Sec. Caspar Weinberger urging the sale, are "detrimental to the purposes and spirit" of the Camp David process and "give evidence of disarray and confusion in American foreign policy," the council statement said.

Supplying "formidable weapons to those who have adamantly refused to join the peace process can only undermine that process as it enters a crucial and delicate stage, the statement said, stressing that Israel justifiably views such sale to Jordan as a "serious threat" to its security.

Correspondence about address corrections should be sent with attached mailing label to: Subscriptions, Room 209, 815 16th Street, N.W., Washington, D.C. 20006.

2/27/82

Kirkland Warns U.S. Losing Time on Recession

AFL-CIO News

Vol. XXVII Saturday, March 6, 1982 No. 9

By Susan Dunlop

America is losing "precious time" in starting "on the road back" from the Reagan recession, AFL-CIO President Lane Kirkland warned in a speech to the National Press Club.

Kirkland asserted that "this country has been living off its capital, consuming its resources, allowing its infrastructure to decay and rot and is now in the process of dismantling its capacity to deal with these problems and with the responsibilities of an organized human society."

AFTER A YEAR under the Reagan Administration's economic and social policies, "we are deeper in the wilderness than ever," he told the Press Club luncheon audience.

Kirkland pointed to statistics showing industrial production down sharply, new private investment—"which was supposed to be the engine of recovery"—down by $5 billion, and bankruptcies up 43 percent since President Reagan took office.

In "the numbers that mean people," Kirkland said, the true rate of unemployment—some 12 percent—is "the highest this nation has faced since the Great Depression of the 1930s."

The tax breaks "that were to lubricate recovery have stuck to the grasping hands that won them," he charged.

Kirkland challenged the Administration's claims that "prosperity is just around the corner," and that its policies are "beating inflation."

That "plea for patience" was used 50 years ago "under a similar political creed," he said.

The Administration "is not beating inflation," he insisted. "They are coasting on the breaks of a worldwide oil glut and a good harvest," and the rest of their "victory" has been achieved "at an excessive and soaring price . . . by putting people out of work, a callous and destructive strategy rejected by every previous Administration since the Depression, and piously forsworn in their own campaign rhetoric."

ALTERNATIVES to the Administration's programs are coming from all sides, Kirkland noted, but most would do little to reduce unemployment or "give hope

(Continued on Page 3)

THREE THOUSAND demonstrators march outside the Iowa capitol in Des Moines as President Reagan addressed the state legislature promoting his "new federalism" scheme. The protest rally was organized by the Iowa Progressive Coalition, which includes the Iowa AFL-CIO. **(Another photo, Page 2.)**

Economic Reports Show Deep Impact Of Reagan Slump

By James M. Shevis

A barrage of grim government statistics on economic performance gave clear evidence that the Reagan Recession is far from bottoming out.

Particularly significant was the decline of six-tenths of 1 percent in the Commerce Dept.'s index of leading economic indicators for January. The decrease would have been much sharper—2.8 percent—if the department had not omitted one of the index's regular components, the length of the average workweek.

THE INDEX, which signals future changes in the economy's direction, now has dropped nine months in a row. The December index, which originally was reported to have increased six-tenths of 1 percent, was revised by the Commerce Dept. to show a decline of three-tenths of 1 percent.

For January, the department took the unusual step of leaving out the average workweek length from the composite index. Officials said they removed the workweek figure—which declined sharply to 36.9 hours from 39 hours in December—because it had been distorted by severe winter weather during the reporting period, the week of Jan. 10. This was the first time in recent years that one of the index's 10 components had been dropped.

AFL-CIO President Lane Kirkland questioned the Administration's rationale for eliminating the figure.

"I don't question that it was cold, but I do question that there were not economic factors involved as well" in the continuing downturn of the index, he told a National Press Club audience.

"These figures simply add force, I think, to the concerns that we have repeatedly expressed and have been expressing for some months past," said Kirkland.

Private analyst Michael Evans expressed amazement that the workweek figure was omitted intentionally. "When the bad news is coming out, they say 'not available.' You can't do that," said Evans, whose economic forecasting firm had predicted a 2.5 percent drop in the index for January, including the effects of the weather.

"Excluding the effects of the weather, the index was probably down 1 percent," he said. "It is a reasonable amount of evidence the recession is getting worse."

THE INDEX of leading indicators usually gives advance warning of economic turning points by two months or more. Deputy Treasury Sec. Richard McNamar candidly acknowledged that the latest drop shows that the economy is still declining, and that unemployment "may yet go to 10 percent before we get things turned around." The nation's jobless rate was 8.5 percent in January.

Of the nine indicators available for the January index, six contributed to the overall decline, with new orders adjusted for inflation and stock prices falling the most. Also unfavorable were new claims for unemployment insurance benefits, contracts and orders for plant and equipment, changes in raw materials prices, and changes in total liquid assets. The three indicators that showed improvement were the pace of deliveries, building permits, and the money supply.

ANOTHER reflection of the continuing deep recession was the Federal Reserve Board's report that the nation's industrial

(Continued on Page 7)

Auto Content Standard Pressed to Spur Jobs

A domestic content law for automobiles sold in the United States would mean hundreds of thousands of jobs for American workers, labor witnesses told Congress.

At House hearings, AFL-CIO Legislative Director Ray Denison and Industrial Union Dept. President Howard D. Samuel joined Auto Workers President Douglas A. Fraser in supporting a measure that would peg local content requirements to sales volume.

THE BILL, co-sponsored by 115 House members, would phase in over three years. Its domestic content requirements would be based on a percentage of the wholesale value of the vehicle, and could be met either by manufacturing the entire automobile or light truck in the United States or by using enough American-manufactured components to meet the test.

When fully effective, the domestic content minimum would be 25 percent for sales of 100,000 to 150,000 vehicles a year. It would rise to 50 percent on sales of 150,000 vehicles, with step-ups to 90 percent domestic content for firms selling more than 500,000 vehicles in the United States. Foreign firms would also have to allow use of American-made replacement parts that meet performance specifications for servicing their vehicles.

Hundreds of laid-off auto workers from a General Motors plant in Baltimore filled the hearing room of the House Commerce subcommittee considering the legislation. Their presence symbolized the severe cutbacks in auto industry employment and in the many related supplier industries.

BUT DEPUTY Trade Ambassador David MacDonald and Assistant Commerce Sec. Robert Dederick said the Ad-

(Continued on Page 2)

Reagan Accused Of Turning Back Rights Progress

The Reagan Administration is actively trying to turn back the clock on 25 years of civil rights progress, the Leadership Conference on Civil Rights charged at its 32nd annual meeting.

In a keynote address to the two-day meeting, National Urban League President John E. Jacob declared that "by its civil rights record alone, this Administration must go down as the most retrogressive in memory."

THE LEADERSHIP Conference — made up of 157 organizations representing minorities, women, religious groups, the handicapped, the elderly and labor, including the AFL-CIO—released a 75-page report during the Washington meeting

(Continued on Page 3)

Coalition Urges Rejection Of 'Harsh' Budget Slashes

Leaders of the Budget Coalition that includes the AFL-CIO and some 200 other concerned organizations joined in a letter to House and Senate members asking rejection of the Reagan Administration's "harsh and unworkable economic program."

At a time of record unemployment, they protested, the Administration is proposing severe new cutbacks on top of excessive reductions Congress made last year in "vital, social, educational and economic programs."

THE BUDGET Coalition Steering Committee, including AFL-CIO President Lane Kirkland, asked House and Senate members to "support congressional initiatives that create jobs, restore essential programs and revive the American economy."

It said the organizations in the coalition intend to "watch carefully the actions of the 97th Congress on these important issues this year."

Steering committee members, in addition to Kirkland, are Rev. Robert Drinan, president of Americans for Democratic Action; Stephen Brobeck, executive director, Consumer Federation of America; Ruth Hinerfeld, president, League of Women Voters; Benjamin Hooks, executive director, NAACP; Jacob Clayman, president, National Council of Senior Citizens; Willard H. McGuire, president, National Education Association; Carl Holman, president, National Urban Coalition; John Jacob, president, National Urban League; Kathy Wilson, chair, National

(Continued on Page 6)

IOWA COALITION of farm, labor, religious and community groups protests the Reagan Administration's economic policies and sharp cuts in social programs. Thousands of demonstrators turned out for the rally in below-zero temperature during Reagan's address to the state legislature. Iowa AFL-CIO President James J. Wengert told the crowd that "if the President came to Des Moines to sell his recycled trickle-down program, we're not going to buy it."

Auto Workers Approve Pact With Ford by 3-to-1 Margin

Dearborn, Mich.—The Auto Workers overwhelmingly approved a new 31-month contract with the Ford Motor Co. that trades wage and benefit concessions for assurances of greater job security.

The pact, which went into effect Mar. 1, received 43,683 favorable votes as against 15,933 opposed to it, a 3-to-1 majority for ratification. The contract replaces an agreement that was to have expired Sept. 14 and covers some 105,000 Ford blue-collar workers on the job and 55,000 on indefinite layoff if they are called back to work.

UNDER THE new agreement, workers will give up the equivalent of two weeks of paid time off a year and annual 3 percent raises. Certain inflation-related pay increases are to be deferred for 18 months. In return, Ford has promised to share profits, not to close any plants as a result of shifting work to outside suppliers for two years, and to guarantee an income until retirement for workers with over 15 years' seniority who are laid off.

Ford, which has reported losses exceeding $2.5 billion for 1980 and 1981, had sought labor concessions for some time to maintain competitiveness with auto imports. Ford Chairman Philip Caldwell said the pact will help restore the U.S. auto industry, which is in its worst slump in 21 years.

UAW President Douglas A. Fraser praised the negotiators for their "imagination and ingenuity." In a statement issued at UAW headquarters, Fraser and Donald Ephlin, head of the union's Ford Dept., said:

"WE ARE extremely pleased at the majority of ratification. It is clear evidence that our members at Ford understood and supported the historic breakthroughs contained in the agreement, which lead to greater security for themselves and their families."

The most immediate impact of the new Ford contract is the resumption of supplemental unemployment benefit (SUB) payments to laid-off Ford workers with less than 10 years of service. The company agreed to contribute $70 million to fund these payments immediately.

With bargaining completed at Ford, the union shifted its attention to two other struggling auto manufacturers that have requested contract renegotiation. Upon signing the new agreement with Ford, Fraser said that the union will begin polling local UAW leaders at General Motors Corp. to determine whether sentiment now exists for reopening negotiations. Meanwhile, the UAW's American Motors Corp. council agreed to meet with company representatives on Mar. 8 in Milwaukee to discuss the firm's proposals to reopen bargaining.

Negotiations with GM already have broken down twice this year.

UAW members made significant concessions at Chrysler last fall as part of the federal government's loan guarantee to save the company from bankruptcy.

Gobel Cravens Dies, Retired Field Staffer

Oklahoma City—Gobel F. Cravens, who retired in 1969 as an AFL-CIO assistant regional director, died Feb. 25 of black lung disease. He was 77.

At various times throughout his trade union career, Cravens was a member of the Mine Workers, Auto Workers, Maintenance of Way Employes, Hotel Employees & Restaurant Employees, as well as an organizer for the Mine, Mill & Smelter Workers. He became a CIO field representative in 1945 and went on the AFL-CIO organizing staff in 1955.

Survivors include his wife Lucille and three children. Services were held Mar. 1 in Oklahoma City.

'Devastating' Impact

Sharp Postage Jump Blow to Labor Press

The recent doubling of second-class postal rates for non-profit mailers has labor publication budgets reeling and unions considering sharp cutbacks, the International Labor Press Association told a congressional committee.

James M. Cesnik testified for the ILPA at a joint session of the House subcommittees on postal operations and services and on personnel and modernization. He is the association's immediate past president.

The "devastating and precipitous increases" instituted by the Postal Service on Jan. 10 have caused "the majority of ILPA's members to seriously consider cost-cutting measures," most often cutting back frequency of publication.

ILPA IS concerned, Cesnik said, that smaller labor publications will decide to stop publishing completely in the face of rate hikes that virtually doubled postage bills overnight. Many publications, he pointed out, are planning to switch to third-class service where rates are slightly lower, but delivery is often less prompt.

Both factors could lead to a substantial drop in postal volume, Cesnik told the committee, with ILPA estimates showing as much as a 40-percent cut in labor press volume in second class alone.

Cesnik, who is editor of the Guild Reporter, published by the Newspaper Guild, pointed out that the religious press and organizations such as farm, veterans and conservation groups as well as charitable organizations are all being hurt by the postal increases.

The sharp boost in non-profit second-class postage rates occurred in January after Congress failed to appropriate the needed subsidy funds in its Dec. 15 continuing budget resolution. The subsidy permitted a step-by-step system of increases in non-profit rates that was supposed to have phased-in rate hikes gradually until 1987. Without the funds, the Postal Service was obligated to jump to the final step of the system immediately, virtually doubling many of the rates.

THE REAGAN Administration's fiscal 1983 budget proposes deeper cuts in subsidies to USPS which could mean even higher rates for non-profit mailers, ILPA has warned.

This budget proposal will "effectively eliminate the distinction between regular and non-profit rates," Cesnik told the committee. He called on Congress to "continue rate differentiation through the appropriations process—or through a law which guarantees non-profit mailers a fair, affordable rate structure" that does not require constant and expensive legal battles to maintain.

Cesnik told the committee that since 1975 ILPA has been forced to spend "over $100,000 of its slim resources" so that labor papers could have a voice "in the legal and administrative proceedings before the Postal Rate Commission."

Since the passage of the Postal Reorganization Act of 1970, he said, "non-profit organizations have already absorbed the largest percentage of increases of any class of mailers," as much as 1,800 percent.

Non-profit mailers must look to Congress for help in establishing a fair, affordable rate structure, Cesnik declared.

Congress should also reject the Reagan Administration's contention that a preferred rate for non-profit mailers promotes "inefficient use of the postal system," he said.

The non-profit press had to fight for the right to pre-sorting discounts granted to for-profit mailers, Cesnik pointed out, and the recent rate escalation will set back the installation and use of expensive equipment necessary to take advantage of more efficient mailing procedures.

BUT THE lower rate structure for non-profit mailers also serves a very important purpose in a democratic system, Cesnik said, because it "serves the public interest in ways that cannot be measured with a calculator."

The second-class non-profit structure, Cesnik said, "was specifically set up by Congress to ease the flow of information vital to the democratic process."

Accord Reached On Pact for Radio, TV Commercials

Los Angeles—The Screen Actors Guild and the Television & Radio Artists jointly approved an agreement with the advertising industry that will provide substantial wage and benefit increases for members involved in producing commercials.

The pact with the American Association of Advertising Agencies and the Association of National Advertisers must now be ratified by members of the two unions. Informational meetings are being scheduled and a mail referendum is being prepared.

The three-year commercials contract includes the following key provisions:

- A 15-percent across-the-board wage boost for members who make "wild spot," or regional, television commercials; a 5-percent increase for those in national network program TV commercials, plus cost-of-living adjustments. Payment for commercials made for cable TV will be based on a session fee, with additional payments based on use.
- A 1-percent increase in pension and welfare contributions, from 9 to 10 percent, to help fund a dental plan.
- Increases in radio commercial use fees for wild spots of 10 to 12 percent in major cities and up to 25 percent in other markets. Also, the contract calls for increases of up to 12 percent in network radio commercials, plus cost-of-living adjustments.

Content Standard Pressed to Salvage Auto Jobs

(Continued from Page 1)

ministration opposed the legislation as harmful to international trade.

Denison, testifying for the AFL-CIO, said the ripple effect of automobile imports has spread unemployment to all segments of the U.S. economy, "where one out of every five jobs is related to the auto industry."

Enactment of the labor-backed bill would have an opposite ripple effect, he stressed, spreading employment and strengthening the nation's industrial base.

HE CITED Australia, Brazil, Mexico, South Korea and Spain as among the nations that have domestic content requirements for motor vehicles, while other nations have tariffs or some form of quota "to keep out a flood of car imports."

Samuel, testifying both for the IUD and for a coalition of 31 unions representing workers most directly affected, also stressed the auto industry's central role in the American economy.

In 1979, he noted, the auto industry used 21 percent of the steel consumed in the U.S., over 50 percent of the malleable iron, 34 percent of the zinc, 12 percent of the primary aluminum, 13 percent of the copper and 60 percent of the synthetic rubber.

SAMUEL NOTED that American manufacturers are using a larger share of foreign-built components in cars assembled in the United States—in some cases in response to trade requirements imposed by other nations.

"It makes no sense for the U.S. to maintain virtually unlimited access to our markets while our access to the markets of other countries is restricted, at a cost of hundreds of thousands of American jobs," Samuel said.

FRASER TOLD the panel that enactment of the legislation could put nearly 870,000 unemployed persons to work.

He cited a UAW study that by 1985, assuming current import trends continue, a domestic content law would mean an additional 116,000 more persons employed by the Big Four U.S. auto companies and 146,000 more jobs in North America by foreign vehicle manufacturers. Bureau of Labor Statistics estimates on supplier firm employment indicate the legislation would lead to an additional 605,000 jobs at independent suppliers, Fraser said.

A content law would not curtail competition among the world's auto companies "to provide the American consumer with a wide variety of innovative products built with the most efficient technologies," Fraser told the subcommittee.

As to the Administration's concerns that a local content requirement might run afoul of international trade agreements, Fraser noted that none of the other nations imposing such restrictions has been challenged.

STRESSING THE importance of early action, Fraser said the value of auto parts imported into the United States from countries other than Canada has grown at an annual rate of 24 percent over the past decade.

Without government action, he warned, the current levels of imports will amount to merely "the tip of the iceberg."

Wilderness of Recession

Kirkland Warns Nation Losing 'Precious' Time

(Continued from Page 1)

to those distressed Americans punished by the Reagan budget."

He stressed that the AFL-CIO's alternative proposal is keyed to solving the "basic problem" of unemployment. "If we can get people back to work, many of the other problems in the economy will solve themselves," he observed.

Further, he said, the AFL-CIO wants "safety nets" of unemployment compensation, Medicaid, relief and food stamps preserved "so that the recession will not dip deeper into depression."

THE AFL-CIO is urging rejection of all the new budget cuts in the Administration's fiscal 1983 proposals, Kirkland said. Instead, the federation has called for new construction and repairs of public facilities, transportation facilities and other resources.

Also, he noted, the AFL-CIO wants "more and better" job training programs and extended unemployment benefits, especially "for those who are forced onto the jobless rolls through no fault of their own."

The federation's alternative program, Kirkland said, calls for increased aid for low- and moderate-income housing, limits on imports that hurt already weakened domestic industries, and establishment of a new Reconstruction Finance Corp. to help revitalize the nation's economic base.

HE POINTED OUT that these programs can be paid for "by restoring some equity to the tax structure" and repealing the "worst aspects of the 1981 tax giveaways such as the leasing of tax credits by corporations, capping personal tax cuts and closing other glaring tax loopholes available only to large corporations, the oil industry and wealthy individuals."

Kirkland also cited the AFL-CIO's position that "close scrutiny" should be given to the "immense" defense budget and that necessary increases in defense spending be paid for with a progressive income surtax on corporations and individuals "to assure that all bear a fair share of the common burden of defense."

He said the Federal Reserve and the President bear responsibility for "all the painful consequences" of tight money and high interest rate policies that "wrap and twist the economy out of balance."

He called on both the Fed and Reagan to exercise their authority to "ration and allocate credit" to make sure that the most productive sectors of the economy get the benefit of available investment capital.

"THE NATION cannot afford to have more billions and billions of capital used for big mergers that do not create jobs, or burned up in commodity speculation, or shipped out in overseas ventures which export jobs that can be performed here," Kirkland declared.

In a question and answer period following his speech, Kirkland expressed concern that the economy is in an exceedingly vulnerable condition in which "severe, unanticipated economic shocks" such as collapse of one or two major corporations, could set off shockwaves that might lead to "irrational panic."

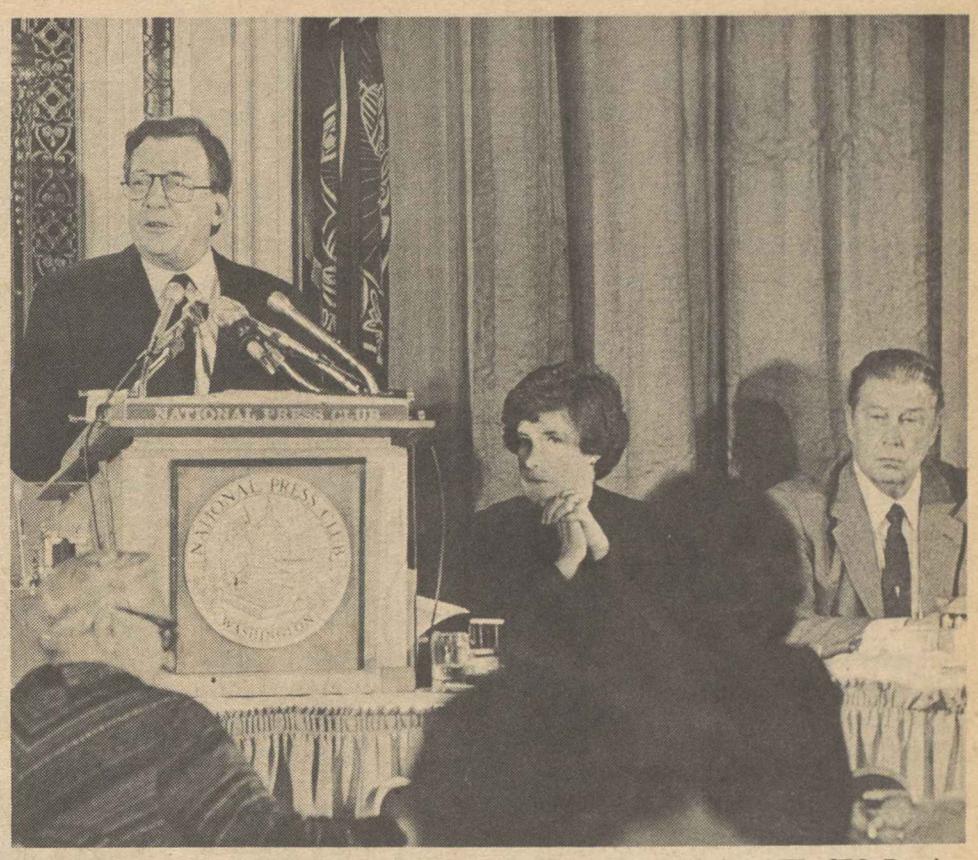
He declined to give President Reagan a grade on his performance since his election, observing that "the citizens of America will pass out grades in November of '82 and '84."

ALTHOUGH the Administration has indicated it wants to keep open channels of communication with the labor movement, "if those channels are to be used, they can't very well expect it all to be Tootsie Rolls that come flying through from our side," Kirkland observed.

Listening to all points of view is part of the role of leadership, he said, adding that the labor movement's point of view is strong and consistent and that it will be asserted "as forcefully as possible in this democratic society of ours."

Kirkland said the recent ratification by the Auto Workers of a new contract with Ford Motor Co. that cut back some wage increases and holidays reflects the way the collective bargaining process makes it possible for organized workers to respond realistically and practically to difficult economic problems.

It also underscores the value of a union to workers, he pointed out, since an effective trade union can bring the interests of workers to bear "in times of adversity as well as times of prosperity," unlike unorganized workers "subject to the unilateral whims or pressures" of employers.



LABOR'S ALTERNATIVE to Reaganomics was put forth by AFL-CIO President Lane Kirkland in a speech to the National Press Club carried on the public radio network. Seated are NPC President Vivian Vahlberg and AFL-CIO Vice President John H. Lyons.

Consumer Price Rise Continues Moderate Pace

Consumer prices rose a seasonally adjusted three-tenths of 1 percent in January, their smallest increase in a year and a half, as declines in the price of gasoline, new cars, and houses helped offset a spurt in the price of food.

The Bureau of Labor Statistics said its consumer price index for January was 8.2 percent higher than it was a year earlier. The CPI rose by four-tenths of 1 percent in December, five-tenths of 1 percent in November.

FOOD PRICES increased sharply in January, up eight-tenths of 1 percent—about 10 percent on an annualized basis—the highest in four months. Large price hikes for fresh vegetables and fruits led the way. Prices went up for sugar, cereal, pork, fish and bakery products, while beef and eggs were cheaper.

Rising at the same rate were medical prices, keeping up the skyrocketing increases of the past year. Medical care prices have risen faster than any other category in the past 12 months and were 10.9 percent higher in January than a year earlier.

The housing component of the CPI increased an adjusted two-tenths of 1 percent following a rise of four-tenths of 1 percent in December. Homeownership costs declined one-tenth of 1 percent.

BESIDES HOUSING, which represents 46 percent of the overall CPI, transportation contributed most to the price moderation in January.

Transportation costs fell by two-tenths of 1 percent over the month after rising six-tenths of 1 percent in December. The main factor in the decline was a 1.7-percent drop in gasoline prices. Prices of new cars were also lower as a result of automaker-dealer rebates.

Congress Urged to Restore Full Trade Adjustment Aid

The AFL-CIO urged Congress to reestablish trade adjustment assistance as a "meaningful" program and to reject an Administration budget proposal that would wipe out almost all remaining assistance to workers left jobless because of imports.

Legislative Rep. Stephen Koplan told a House Ways & Means subcommittee that the damage inflicted last year through the budget-setting process had left the program only a skeleton of its original intent. Acting at the Administration's urging, Congress cut back cash benefits from 70 percent of lost pay to the level of state unemployment insurance and imposed new restrictions on eligibility.

THIS YEAR, the Administration proposes to end cash assistance to displaced workers in approved training programs. Its budget proposes only 1 percent of 1981 funding levels for trade adjustment assistance in the coming fiscal year and a complete end to the program in 1984.

The subcommittee is preparing funding recommendations for the House Budget Committee as non-binding advice in the shaping of the first congressional budget resolution.

Koplan told the panel that the impact of trade on workers and on the economy is "too important to be left in the hands of the budget cutters."

He urged the subcommittee, in addition to resisting new cutbacks, to recommend:

- Return to the language of the 1978 Trade Act which made workers eligible for trade adjustment assistance if rising imports "contributed importantly" to their unemployment. The substitute language adopted last year was intended to reduce eligibility.
- Giving workers a legal entitlement to training assistance to help them prepare for new jobs instead of making training conditional on funds appropriated by Congress.
- Extension of trade adjustment assistance coverage to employees of independent suppliers of parts and services who are laid off because the firms they have been supplying have been forced by imports to close plants or reduce operations.
- Changing standards that now can disqualify workers who had been temporarily disabled during part of the qualifying period for benefits and that can deny benefits or training to a displaced worker who does not accept any job available at the minimum wage.

The AFL-CIO testimony also urged restoration of the 70 percent lost pay standard for cash benefits. And it asked adequate funding for the Customs Service to monitor imports as they arrive in the United States.

Civil Rights Alliance Protests Rollbacks

(Continued from Page 1)

charging the Justce Dept. with failure to enforce civil rights laws and with "seeking to close the doors of opportunity only recently opened to people who have suffered discrimination."

NAACP Executive Director Benjamin Hooks said the Justice Dept. under the Reagan Administration has become a "travesty." At a news conference held to release the report, Hooks stressed that the responsibility for the Administration's "attack" on civil rights rests with the failure of Atty. Gen. William French Smith and his deputies to enforce the laws of the land.

The report, titled "Without Justice," was based on a review of the department's civil rights activities during the first year of the Reagan Administration.

IT CHARGED that at the Justice Dept. "political considerations" have been allowed to "corrupt fair administration of the law," and "power and prejudice hold sway."

Ultra-conservative members of Congress and the Administration's political advisers "have boldly and successfully pressured the leaders of the department to change and weaken positions in civil rights cases," the report charged. It cited as an example the Administration's contention that the Internal Revenue Service had no authority to deny tax exemptions to private schools that practice racial discrimination.

The report pointed out that the Justice Dept. has also turned away from its former leadership role in pressing for equality and fairness in hiring and promotion of minorities and women and in vigorous prosecution of job discrimination cases.

REPORTS presented at the meeting repeatedly accused the Reagan Administration of backtracking on fair housing, equal employment opportunity, legal services for the poor, human needs, ratification of the Equal Rights Amendment, health care and education.

The meeting included a Capitol Hill briefing session on the renewal of the Voting Rights Act of 1965 followed by lobbying for Senate enactment of the same strong extension bill recently passed by the House.

In his keynote speech, Jacob charged that the Reagan Administration's budget-slashing and "new federalism" plans are "part of an effort to roll back the very limited gains minorities have won"

The so-called new federalism, Jacob said, is "a prescription for inflicting further misery on the poor and for splintering national issues."

It is "the old notion of states' right," Jacob said, stressing that many federal programs were enacted because of states' abuses or failure to act, and "turning them back to the states is bound to lead to new abuses."

"THE NEW states' rights," Jacob charged, "practically invites states to export their poverty by making conditions so tough for the poor that they'll want to move elsewhere."

But despite the Reagan Administration's retreat, Jacob told the meeting, the civil rights movement can look for new support as more and more Americans, including the middle class, "are finding themselves standing in line at the unemployment office, the welfare office and the public health clinic" as a result of Administration policies.

The Road Back

THE REAGAN Recession is getting worse. Those great big tax breaks that were to trickle down to lubricate recovery have stuck to the grasping hands that won them.

When someone points to the long lines of the unemployed, and the distress of the small businessmen, homebuilders and farmers, the Administration says, "but we are beating inflation." But they are not beating inflation—they are coasting on the breaks of a worldwide oil glut and a good harvest. The rest of their claimed victory has been achieved by putting people out of work.

Give us an alternative, the President says, or "shut up." Well, the alternatives are now tumbling out so fast it is hard to find anyone still following the original Republican roadmap.

One suggestion is for the Congress to freeze spending where it is. This concept has the virtue of being simple, but it would do nothing to solve the real problems of our economy. There is no chance that such a stopgap plan would reduce unemployment or give hope to those distressed Americans punished by the Reagan budget cuts.

Another suggestion calls for a modest tax increase to reduce the immense budget deficit. Some of this income would be raised by hiking excise taxes which weigh most heavily on individuals of low income. The proponents of this scheme have their priorities backward—they simply want to reduce the deficit without reducing the heavy penalty on the jobless and disadvantaged.

A third proposal has come from big business. These generous souls have proposed to reduce the deficit by postponing the scheduled reduction in personal income taxes while they continue to enjoy the fruits of the tax giveaways the corporations won last year.

IN PROPOSING the AFL-CIO alternative to Reaganomics, we start with the basic problem of unemployment. If we can get people back to work, many of the other problems in the economy will solve themselves. We want the safety nets of unemployment compensation, Medicaid, relief and food stamps preserved so that the recession will not dip deeper into depression.

We urge the rejection of all the new budget cuts written in the President's budget proposal.

To create jobs and improve life in all of our communities, we propose a program of construction and repairs to public facilities.

We want more and better training programs and extended unemployment benefits for those who are forced onto the jobless rolls through no fault of their own; we want increased public support for low- and moderate-income home building. We want to limit those imports that damage already weakened domestic industries. And we want a new Reconstruction Finance Corp. which would start the rebuilding of the essential economic and urban base of this country.

THE COSTS of these proposals would be paid for by restoring some equity to the tax system that was undermined last year.

We also ask that the immense defense budget be given close scrutiny. Each new dollar spent should be financed by a progressive surtax levied on corporations and individuals.

We reject the Reagan concept of making the poor and the disadvantaged pay the costs of defending our society.

—From AFL-CIO President Lane Kirkland's speech to the National Press Club, Mar. 1, 1982.

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'That's How I Spell Relief!'

Legislated Giveaway

Corporations Siphon Treasury Through Tax Credit Leasing

By Gus Tyler

TO ALLOW corporations to play a complex game that benefits nobody except the corporations involved, the federal Treasury will be losing an estimated $27 billion in the next five years.

The game isn't easy to follow but, with a little effort, you can get the general idea, and you will see how the government is busy subsidizing corporations at a time when Uncle Sam is at his wit's end trying to figure out how to balance the budget.

THE STORY begins with the new tax law that allows a corporation a 10 percent tax credit on a new investment and an accelerated depreciation on new equipment. A "tax credit" allows the corporation to deduct the sum of the credit from the taxes due Uncle Sam; "accelerated depreciation" allows the company to write off the cost of a piece of equipment in—let's say—five years although the equipment may last for 25 years.

But here is a fairly big corporation—like Chrysler or Pan Am—that is unable to take advantage of these subsidies from Uncle Sam because these corporations show no profits for the year, hence have no taxes to pay, and therefore can not make any deductions from their tax bill. They are entitled to a handout from Washington that they can not use.

Sensitive to their plight, a few smart lobbyists—a couple of whom got their training in high posts they once held in the Treasury Dept.—came up with a clever concept. Why not change the law so that these companies that did not show enough profits to get the subsidy would get the subsidy anyhow? Let Uncle Sam simply give these corporations the money that they would have withheld from taxes if they had been profitable.

THE IDEA WAS simple, too simple to be accepted: this was a raw giveaway to corporations that were not making it on their own. So the same idea was unsimplified, was complexified, so that most people would not see the handout for what it was.

Here's how it works. Corporation A (not very profitable) invests $100 million in equipment. It is entitled to $10 million in tax credits plus additonal millions over five years in depreciation. But it can not use either.

So Corp A sells the equipment to Corp B that now has title to the equipment. Corp B gives Corp A a $15 million down payment with a promise to pay the rest in five years. So Corp A is $15 million ahead. Corp B leases the equipment to Corp A for a sum exactly equal to what B owes A for buying the equipment. So no money changes hands. At the end of five years, A buys back from B for $1.

IN THE PROCESS, Corp B gets the $10 million tax write-off plus several additional millions for depreciation. So that it ends up ahead by a couple of million the first year. The next five years Corp B gets more write-offs for depreciation.

In this game, both Corp A and Corp B profit. So who loses? You do, because your tax dollars go to paying both the players in this game—in return for which you and the nation get nothing.

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Fate of Auto Industry Critical to the Nation

Year after year, the strong, broad-based industrial machine that was America has been weakened and its workers displaced.

Now we face an emergency situation involving an auto industry that is basic to our economy and whose fate could decide whether this nation will regain its productive health.

The AFL-CIO represents 14.5 million workers who are important to our society as breadwinners, consumers and taxpayers. Many of these members are in jobs threatened by the massive imports of foreign-made automobiles, trucks and parts. Already tens of thousands have lost their jobs in rubber, steel, aluminum, glass, textiles, paper, electronics and plastics—as well as directly in the auto industry.

Domestic content legislation is based on the concept that multinational auto companies should provide the United States with jobs and production when they enjoy the advantages of the U.S. market.

—From AFL-CIO testimony at House hearings, Mar. 2, 1982.

Passing the Buck

'New Federalism' Puts Burden Of National Programs on States

The following are excerpts from a statement adopted by the AFL-CIO Executive Council in Bal Harbour, Fla., Feb. 18, 1982.

THE PRESIDENT'S proposal for a "new federalism" would turn the nation's back on its historic resolve in the words of the Constitution more than 200 years ago: "to form a more perfect Union, establish justice, insure domestic tranquility, provide for the common defense, promote the general welfare, and secure the blessings of liberty to ourselves and our posterity."

The "new federalism" would cripple facilities and services on which all Americans depend and jeopardize the health and welfare of millions of the poor and the disadvantaged.

It would shift responsibility to the states for a host of federal programs established by Congress to meet recognized national needs. This ill-considered proposal would transfer to the states 43 programs in education, community development, transportation, health and social services.

UNTIL 1987, a trust fund made up of revenues from a number of federal excise taxes would partially finance these programs, and even that fund would decline 25 percent each year and be phased out completely by fiscal year 1991. Any subsequent financing of such programs would have to come solely from state funds.

By Oct. 1, 1982, the states would be free to cut or even eliminate altogether the programs transferred to them.

This Republican proposal would shift the tax burden for these programs from the federal government to the states and their taxpayers. Since the states have traditionally relied on regressive taxes for their revenues, the greatest burden would fall on low- and middle-income taxpayers.

The proposal also calls for a complicated swap involving assignment to the states of the two major welfare programs, Aid to Families with Dependent Children and food stamps, while the federal government would take over complete control of Medicaid.

EXAMINATION OF the proposal reveals that it is inherently stacked against the best interests of the nation.

- Many federal protections for workers, such as the prevailing wage laws (Davis-Bacon, and Urban Mass Transit, etc.), safety laws (OSHA), and minimum wage laws (FLSA), would be eliminated for the workers engaged in these defederalized activities as these federal laws do not apply to state employers.
- Contrary to the Administration's claim of an even swap between the federal government and the states, under reasonable and consistent assumptions, every state will be a financial loser if the programs are maintained at current levels.

Using consistent estimates, the total loss to the states would be $17 to $20 billion or more in fiscal 1984 and at least $86 billion in fiscal year 1991 when the trust fund runs out. With such added costs, the states would be under tremendous pressure to slash funds for the programs they would be expected to take over. Some would undoubtedly be cut out altogether.

- One of the major funding sources for the transition trust fund is the oil industry windfall profits tax. Once trust fund payments end, non-oil producing states would have no access to oil revenues.
- Since Medicaid services and eligibility rules now vary greatly among the states, the exact impact on the poor and elderly is not clear. But the fiscal 1983 budget would slash the program in advance of the transfer to complete federal control. After that, the current budget-focused Administration could be expected to reduce services still further for the majority of Medicaid recipients. In many states, especially the poorest states with the most abysmal welfare levels, the meager incomes of the poor would be still further slashed as these states are required to meet all AFDC and food stamp costs out of their own funds.

FEDERAL RESPONSIBILITY for all these programs reflects a national consensus that all Americans, regardless of the state in which they live, have the right to certain minimum services and benefits. Only nationally established standards can assure that essential programs are available to the entire country.

Congress asserted national responsibility for these programs in the first place because the states were unwilling or unable to meet these obligations. But if the federal government shucks off these fundamental responsibilities to the states, there is no more guarantee today than in the past that they can or will properly discharge them. Education, transportation and community development will surely suffer. The existing disparity in the treatment of the poor and disadvantaged will widen.

The President's proposal is an ill-conceived scheme to reduce anticipated huge federal budget deficits while neglecting the nation's most fundamental needs. It would shift huge costs to state and local governments. It does not address the real and most pressing problems the nation faces —massive unemployment, a huge tax giveway to the rich, runaway interest rates and a depressed, stagnant and inflation-prone economy.

The AFL-CIO strongly opposes the new federalism and we will not let it divert us from the more serious and immediate problems of Reaganomics.

Public Outcry Builds

Congress Seeking Alternatives To New Round of Budget Cuts

THE MOUNTING wave of constituent protest against the Administration's economic policies leaves few members of Congress with any heart for the new budget proposals, AFL-CIO Legislative Rep. Peggy Taylor said.

Taylor noted that senators and representatives on both sides of the political aisle—most of whom went along with the President last year—are now "clearly looking for alternatives" to his new budget plan, which will slash even deeper into vital social programs and send the deficit soaring to new highs. She stressed that while the economy is struggling with depression-level unemployment rates, the 1983 Reagan budget has "no new job-creating impetus" and will, in fact, "cost the nation 700,000 jobs in the first year."

THOSE KINDS of proposals aren't likely to win the approval of a Congress that is already "very concerned about winning election in a recession year," Taylor asserted on the network radio interview Labor News Conference.

Taylor said the economic plan outlined recently by the AFL-CIO Executive Council "offers viable recommendations that can be incorporated into budget alternatives that are developed by the Congress." She pointed out that the major points of the AFL-CIO plan include:

- An effort in this time of almost unprecedented high unemployment to create new jobs.
- A pullback from radical reorientation of the role of the federal government away from helping people.
- Recouping the extra tax benefits given to wealthy individuals by the across-the-board tax cut adopted last year.

Since the AFL-CIO alternative program has just been sent to Capitol Hill, "we have not yet had many explicit discussions" of its specifics, Taylor said. But, she added, there is rising interest in "scaling back the tax cut that was passed last year" and reducing the resulting revenue loss, and an increasing "concern about further cuts in social programs."

Washington Window

By Press Associates, Inc.

PRESIDENT REAGAN'S selective nostalgia for the bygone days when unconstrained business supposedly made America great may raise cheers and campaign funds in the business community but it brings back nightmares for informed consumers.

For them, these past days of supposed glory may best be recapitulated in the familiar sayings: "Let the buyer beware" and "the public be damned."

This old nightmare is again becoming reality, according to "Warning: Reaganomics Is Harmful to Consumers," a new report prepared by a coalition of seven consumer groups representing 33 million members.

The Administration's drive for budget cutbacks and deregulation have had a devastating impact on consumer interests, eroding decades of steady progress after just one year in office, according to the coalition.

THE ORGANIZATIONS pooled their expertise to detail the back-sliding in a dozen areas, ranging from food, drug and product safety to housing, energy, credit and health care. The organizations included the National Consumers League, National Council of Senior Citizens, Consumer Federation of America, Consumers Union, Center for Science in the Public Interest, Congress Watch and the Community Nutrition Institute.

Federal budget cuts took their toll in almost all consumer areas, according to the report.

Public health and disease prevention program funds were cut and the programs were folded into block grants to the states, where they will have to compete with a broad range of other needs. Prevention programs included home health services, fluoridation, emergency medical services, health education and hypertension prevention programs, and a program to prevent lead paint poisoning of children.

Cuts in Medicare have forced up medical insurance deductibles for the elderly from $60 to $75 and increased hospital deductibles from $204 to $260.

Medicaid, which provides health care for the poor was cut by about $3 billion. The coalition said the Medicaid cuts also will reduce access, eligibility and quality of care for senior citizens in nursing homes.

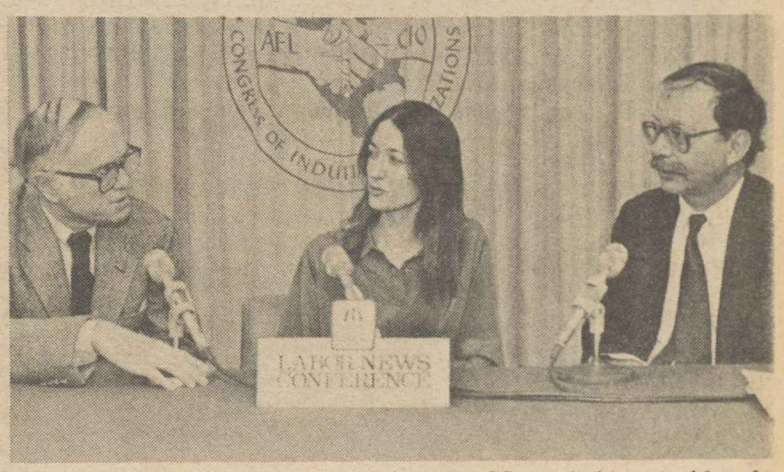
OTHER AREAS of budget cutbacks which have seriously affected consumers, according to the report, include mass transportation, low-income housing, low-income fuel assistance and home weatherization and legal services for low-income persons.

The Administration's campaign to "get the federal government off the backs of the people" through deregulation has dealt blows to food, drug and product safety and quality. Examples are the withdrawal of regulations for ingredient labeling for alcoholic beverages, mechanically deboned meat and improved labeling for meat and poultry packages. The Administration also has proposed to lower the quality grade standards for beef and to rescind a proposed regulation requiring information inserts about storage, handling and possible side-effects of common prescription medicines.

Among the many other blows the Administration inflicted on consumers last year are the elimination of rules limiting interest rate jumps on adjustable home mortgages and the failure to enforce existing regulations or proposed ones for dangerous toxic substances, such as formaldehyde.

The list could go on and on, but the message is very obvious.

As summed up by Ellen Haas of the Community Nutrition Institute during a press conference announcing the report, it is simply, "In 1981, Ronald Reagan rode roughshod over the legitimate needs and concerns of American consumers."



ALTERNATIVES TO REAGANOMICS are being considered by members of Congress from both parties at the behest of their constituents, AFL-CIO Legislative Rep. Peggy Taylor said on Labor News Conference. She was questioned by Jerome Cahill, left, of the New York Daily News and Michael Posner of Reuters News Agency. The program is produced by the AFL-CIO as a public service and is broadcast on Mutual radio.

Budget Group Scores New Reagan Cuts

(Continued from Page 1)

Women's Political Caucus, and Auto Workers President Douglas A. Fraser.

THEIR LETTER noted the depression-level slumps of automobile production and housing starts, the elimination of school lunch programs that have already taken place, and the apprehension of the elderly "about decreasing benefits and increasing out-of-pocket Medicare expenses."

President Reagan's budget proposes "more of the same," the coalition leaders said. Medical and nutrition services face severe cuts, they protested, and educational assistance would be sharply curtailed. "The working poor increasingly will be forced onto public assistance, and the unemployed will be denied opportunities for training and worker retraining," the coalition observed.

In a related area, the AFL-CIO asked its state and local central bodies to join with other organizations in the Budget Coalition to set up local counterparts.

A JOINT letter from Legislative Director Ray Denison and Organization & Field Services Director Alan Kistler suggested that "the mood has changed" in Congress and "the Budget Coalition effort—nationally and locally—can make a difference this year."

The budget and tax cuts enacted last year "proved to be disasters," Denison and Kistler noted. They cited "a growing understanding in the country that the President's economic proposals lack compassion for working people, favor the wealthy and are basically unfair."

Court Overturns Aid to Jobless on Rock Island Line

The Supreme Court struck down a union-supported law that Congress passed in an effort to protect the interests of railroad workers left jobless by the shutting down of the Rock Island Railroad two years ago.

When the railroad's collapse appeared imminent in 1980, Congress sought to assure partial rail service over its routes by other carriers. The bill included a $75 million loan guarantee so that the bankrupt line could provide relocation assistance and other benefits to some 5,000 of its former employees not hired by other railroads.

UNDER THE legislation, the money advanced by the government for employee protections was to be repaid from the assets of the defunct railroad as an administrative expense, a category that gave it priority over most other debts.

Trustees of the bankrupt railroad challenged the legislation and also contested an amended version passed later that year to remove a legal impediment and provide quick court resolution of disputed issues.

At the Supreme Court level, all nine justice held that Congress had unconstitutionally passed a bankruptcy law that was too narrowly addressed to the problems of a single enterprise.

THE CONSTITUTION empowers Congress to establish "uniform laws on the subject of bankruptcies throughout the United States."

The court opinion, by Justice William H. Rehnquist, was that the law was too limited in its applicability to pass the constitutional test under the bankruptcy clause.

A separate opinion by Justice Thurgood Marshall, joined by Justice William J. Brennan, Jr., concurred in the outcome but said there could be situations where the public interest justified legislation applicable to only a single enterprise. The substantially larger Conrail operation might be such a case, they suggested.

STEELWORKERS DISTRIBUTE leaflets to alert securities analysts meeting in Cincinnati to the union's long-running dispute with Procter & Gamble Co. To reinforce its collective bargaining efforts, the USWA is stepping up pressure on P&G through an investor strategy. USWA District Director Buddy Davis, foreground, explains the union's position in a television interview.

Steelworkers' New Strategy Focuses on P & G Investors

Cincinnati—The Steelworkers have initiated a new strategy directed at Procter & Gamble investors to reinforce the union's efforts to win a fair contract for some 500 members at a P&G soap plant in Kansas City.

The project was launched at a recent get-together for securities analysts and institutional investors who came to hear John G. Smale, P&G's chief executive, talk about the company's outlook.

AS THE analysts arrived at the posh Queen City Club, they were greeted by about 60 Steelworkers distributing information on the union's long-running dispute with the company.

Although the USWA won representation rights for the 485 Kansas City P&G workers in May 1980, no agreement has been reached with the company in 60 bargaining sessions.

In a message to the analysts, USWA President Lloyd McBride said the union's members, with the support of the entire labor movement, intend to throw their "full weight into the marketplace to inform all stockholders, investors, and the general public that P&G is not a good buy."

It will not be, he said, "until it clears its name with American labor."

McBride stressed in his message to the analysts that the union's boycott efforts will be stepped up to include a broad coalition of religious, student and minority groups. Last November, the AFL-CIO placed P&G soap products on labor's national boycott list.

He also noted that the investor strategy is focusing on union pension fund investments in P&G. In recent years, McBride said, holdings by unions have amounted to several million shares of P&G stock, making labor the largest single stockholder in the Cincinnati-based conglomerate.

Of P&G's 41 plants throughout the country, only the workers at the Kansas City plant are represented by an AFL-CIO affiliate. Workers at the other facilities are members of "independent" or company unions, the USWA said.

P&G WORKERS at Kansas City voted for USWA representation by a 3-to-1 margin. Not only has the company refused the workers a pay raise since November 1979, the union said, but it has also penalized them by withdrawing bonuses from the pay system and forcing them to pay for medical insurance premiums.

The USWA campaign is similar to the strategy employed by the Clothing & Textile Workers in bringing the J. P. Stevens & Co. to the bargaining table.

Tight Money Termed Drag On Recovery

The tight-money policy embraced by the Reagan Administration and the Federal Reserve Board is stifling economic recovery and pushing up costs to consumers and taxpayers, the AFL-CIO charged at Senate hearings.

Excessive reliance on monetary policy to cure the nation's economic ills has proved "counterproductive," Economist Henry B. Schechter testified.

SCHECHTER, who is director of the AFL-CIO Office of Housing & Monetary Policy, cited these byproducts of high interest rates resulting from deliberate curtailment of the money supply:

- Home sales plummeted and new housing starts during 1981 were at the lowest level in 35 years. Unemployment in the construction industry reached 18.7 percent in January, with 946,000 construction workers jobless.
- High rates for consumer financing were a major factor in pushing new car sales one-third below 1978 levels, with rippling effects on unemployment.
- Business failures rose 44 percent in 1981, with further sharp increases taking place in early 1982.

IN THE distribution of wealth, high-income households with money to invest have been able to profit from double-digit interest income, Schechter noted, and to pay higher prices for luxury-type goods and services.

The result has been a two-tier economy, he stressed. "Basic industries, such as steel, glass, aluminum and lumber, which must supply mass market products such as housing and automobiles, cannot be sustained or modernized because they cannot pay competitively high interest rates," he pointed out.

Schechter reiterated the AFL-CIO's strong support for turning to credit controls as "a viable alternative to slowing down the money supply."

HE NOTED that the nation's brief implementation of standby credit controls in 1980 helped bring interest rates down and reverse a decline in home building.

Schechter cited the successful use of credit controls by Japan "to help keep inflation and unemployment at levels below those of the United States and guide capital flows into high priority industrial investments." He contrasted this with the "poor economic record" of Britain, which, under the Thatcher government, "has been following a monetarist policy similar to that of the United States."

Busing Curb Heads for House Roadblock

By David L. Perlman

A battle over busing as a remedy for school desegregation has been transformed by a 57-37 Senate vote into a potential constitutional clash between the legislative and judicial branches of government.

House leaders hope to head off such a confrontation by burying an appropriations bill that contains the Senate-added amendment restricting the power of federal courts.

THE HOUSE last year sent the bill carrying funds for the Justice Dept. to the Senate with restrictions on use of federal funds to promote school busing. But the Senate, after breaking a filibuster, adopted a court-curbing amendment that has alarmed some conservative legal scholars as well as civil rights groups.

It would prohibit courts from requiring the assignment of any student for racial purposes to a school more than five miles from home or more than a 15-minute bus ride.

In effect, Congress would seek by legislation to limit the judicial branch's powers to remedy constitutional violations. School desegregation was mandated by a unanimous 1954 Supreme Court decision on constitutional grounds.

The amendment, which also curbs the power of the Justice Dept. to act in school segregation cases, was sponsored by Senators J. Bennett Johnston (D-La.) and Jesse Helms (R-N.C.).

Support and opposition split party lines, and in some cases ideological divisions.

Most Senate Republicans supported its passage, but Republican Sen. Lowell P. Weicker, Jr. (Conn.) led filibusters that delayed action for eight months.

Democrats split almost evenly, with most southerners supporting the measure. But a southern Democrat, Sen. Dale Bumper (Ark.) made the most impassioned speech against its passage.

"Busing is not the issue," he told his colleagues. "The issue is whether we are going to remain a free nation, devoted to the sanctity of the Constitution." If courts can't act on constitutional violations, he contended, it would mark "the beginning of the end of constitutional guarantees."

A similar warning was issued by the president of the American Bar Association, David Brink. With this precedent, he said, "a future Congress could strip the courts of authority to protect and preserve other constitutional rights."

Despite the long and bitter debate over the issue, Atty. Gen. William French Smith said at a congressional hearing on the Justice Dept.'s new appropriations request that he was not prepared to comment on such a "complicated" issue as restricting the power of courts on busing.

NORMALLY, the measure would go to a House-Senate conference since it is an appropriations bill passed in different forms by both bodies. Instead, it is being handled as a Senate-passed bill, with an option for the Speaker of the House to assign it to a committee for consideration. House Speaker Thomas P. O'Neill, Jr. (D-Mass.) said he will "take no action" on the Senate bill unless the chairmen of the Judiciary or Rules Committee request it.

That is not likely, since both Judiciary Committee Chairman Peter W. Rodino, Jr. (D-N.J.) and Rules Committee Chairman Richard Bolling (D-Mo.) oppose the measure.

And Weicker has served notice that he is prepared to lead another filibuster if the bill ends up back in the Senate for final passage with the Johnston-Helms amendment still attached.

Meanwhile, funding for the Justice Dept. and a number of other agencies whose appropriations have not passed Congress is provided through what is called a "continuing resolution."

Grim Reports Show Spread Of Recession

(Continued from Page 1)

output in January plunged a seasonally adjusted 3 percent, the sharpest decline since May 1980 and the sixth consecutive monthly drop. The drop in production was pervasive, with the largest declines occurring in autos, construction supplies, and durable and nondurable goods.

January's dramatic decline in housing sales—a 22.8 percent plunge from December and the second lowest sales figure on record—also indicated the extent of the nation's eighth post-World War II recession. The sales slump was attributed to the recession, high interest rates, and bad weather.

Meanwhile, the Commerce Dept. reported a 1.5 percent decline in new factory orders for durable goods in January, suggesting that industrial production and employment will stay weak. The January orders decline was the fifth in six months, and would have been greater if orders for defense products had not risen 24 percent from December to a record $7.48 billion.

ORDERS FOR durable goods—items such as autos and home appliances that have a usefulness of three years or more—have been weak since the recession began last July. An increase generally signals a rise in factory production and employment, while a decline signals the opposite.

Going hand in hand with the declining orders, factory capacity use fell 2.6 percentage points in January to 70.4 percent, the lowest level since the severe recession of 1973-75. Among the worst hit was the auto industry. Its operating rate slid to the lowest level in at least 34 years, the Federal Reserve Board reported.

MORE BAD economic news came in the Commerce Dept.'s announcement that the nation's merchandise trade deficit widened in January to a seasonally adjusted $5.13 billion as exports continued to decline and imports surged. The deficit was the largest since last August, and the third largest since the department began the statistical series in 1974.

Deficits are watched closely because they mean that dollars are flowing out of the United States, making less money available for domestic purposes. The nation's trade deficit last year was $39.68 billion, and experts predict the 1982 deficit will be wider than last year.

SEIU Sponsoring College Festivals Of Labor Films

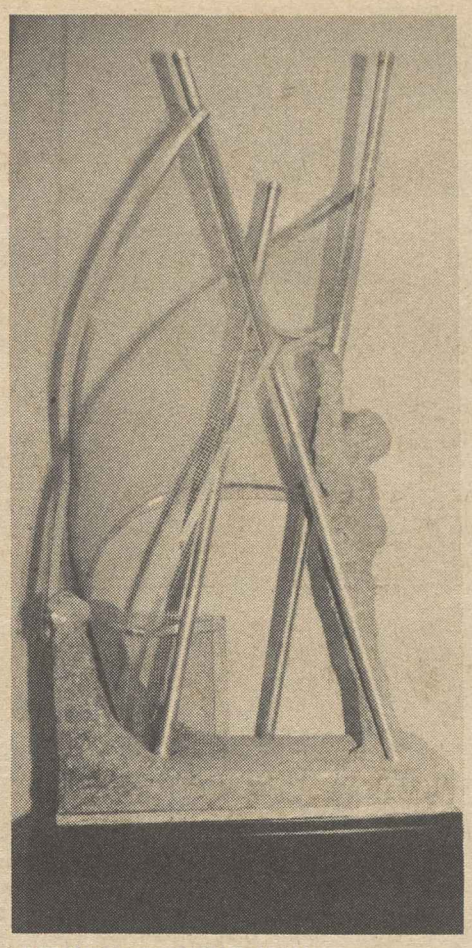
The Service Employees will sponsor 10 labor film festivals around the country in cooperation with university labor studies programs.

The festivals will include the award-winning films in "The Union Makes Us Strong" series co-sponsored in 1981 by SEIU and the Smithsonian Institution in Washington. Two of the films, "With Babies and Banners" and "Union Maids," have received Academy Award nominations in recent years.

SEIU President John J. Sweeney said the films "celebrate the history, culture and accomplishments of working people," and provide an opportunity for students and the public "to see a side of the labor movement that is often overlooked."

THE FIRST in the series of festivals was held Feb. 26 in Milwaukee and Kenosha with the University of Wisconsin's School for Workers. The second, keyed to Women's History Week, will run Mar. 8-12 at eight campuses in Massachusetts including Mt. Holyoke, Amherst, Smith and the University of Massachusetts, whose Labor Relations and Research Center is the co-sponsor.

Plans for the other festivals are now being completed in eight major cities and dates will be announced as they are confirmed, the SEIU said.



UPHOLSTERERS SKILLS are symbolized in an original work by sculptor Norman Poirier commissioned by the Upholsterers to mark the union's 100th anniversary. When completed, the 7½-foot concrete and steel sculpture will stand before the union's headquarters in the historic Independence Mall area of Philadelphia.

NABET Posts Major Gains in Network Accord

The National Association of Broadcast Employees & Technicians ratified a new four-year agreement with the American Broadcasting Company providing a wide range of pay and benefit improvements for some 2,700 members.

Twenty units in six NABET locals representing employees of ABC-owned and operated stations in New York, Chicago, Los Angeles, Washington, and San Francisco, and at the network's headquarters in New York City are covered by the pact. The units consist mainly of broadcast engineers and technicians, about 1,600 in all. Other job classifications account for another 1,100 members in the units.

NABET PRESIDENT Edward Lynch said the four-year master agreement, retroactive to Apr. 1, 1981, provides increases of 9.35 percent in the first year, 8.5 percent in the second, 7.8 percent in the third, and 7.7 percent in the final year.

In addition to pay increases, the contract provides for a new dental plan. The union has the option of setting up its own plan established through company contributions or of participating in the company's plan.

The contract also makes a stock option plan available to NABET members for the first time. Lynch said the plan provides that for every dollar an employee pays toward company stock, ABC will pay 40 cents up to 5 percent of the employee's base pay.

Other improvements include an $11 increase over the life of the contract in the per diem rate paid members for "remotes," assignments away from their normal work sites. The former rate was $25. The new rate will rise to $34 on Apr. 1, $35 in the second year, and $36 by the contract's final year.

PENSION contributions increase by 1 percent over the contract term. Previously set at 9 percent of base pay, the contribution rate will rise by one-half percent next year and by another half-percent a year later. ABC also agreed to continue medical benefits for retirees' surviving spouses after the retiree dies.

Under the pact, employees who have been with the company four years or more will have their pay increased from the current $585 a week to $735 a week by the final year of the agreement.

Upholsterers Celebrate Century of Progress With Exhibits, Events

Philadelphia—The Upholsterers' International Union marked its 100th anniversary in February with a series of events highlighting the union's place in labor and American history.

UIU's founding in Philadelphia by a handful of upholsterers who met here on Feb. 5, 1882, was commemorated in a ceremony at the union's headquarters in the historic Independence Mall area of the city.

THE EVENT included the dedication of a sculpture by Norman Poirier that symbolizes the upholsterer's trade. It will be placed in front of the headquarters building.

At the centennial observance, UIU President Martin L. Garber emphasized the union's "pride in achieving 100 years of service to our members and all working people" in spite of often difficult economic times and stiff employer opposition to unions.

He urged young trade unionists to remember "where they came from" and to recall that "the labor strife of the old days" produced many of organized labor's biggest victories for working people, including conditions that most working people, union and non-union alike, take for granted today.

JOSEPH COLEMAN, president of the Philadelphia City Council, along with Councilmen Lucien Blackwell, John C. Anderson and David Cohen, presented the union with a special resolution adopted by the council to mark the centennial.

The city of Philadelphia was a co-sponsor of the ceremonies as part of its own celebration of the 300th anniversary of its founding.

The council praised the UIU for its commitment throughout its history "to securing and maintaining the basic human and economic rights of all people which is at the very heart of our democratic society."

The events included the first Philadelphia showing of an exhibition of five decades of original cartoons by Bernard Seaman, highlighting issues of concern to working people.

THE UNION also unveiled its own "Centennial Story," a slide show on the history of the UIU and its members.

Among the speakers at the centennial ceremony were AFL-CIO Vice President Lloyd McBride, president of the Steelworkers; Pennsylvania AFL-CIO President Harry Boyer; Philadelphia AFL-CIO Council President Edward F. Toohey; and Elmer Chatak, secretary-treasurer of the AFL-CIO Industrial Union Dept.

Garber announced that other events planned for the centennial year will include a rededication, during the UIU's convention in June, of its plaque at the Betsy Ross Memorial House in Philadelphia. The plaque, first placed at the landmark in 1957, honors Betsy and John Ross for their trade as upholsterers.

A special centennial series in the union's newspaper, the UIU Journal, traces the roots of the union to fledgling organizations as early as 1853.

ECONOMIC conditions and employer opposition foiled those early attempts, and even the 1882 union declined until it was reorganized in 1892 with the help of its vigorous midwestern locals. Their successes helped revitalize locals in the East. The first Canadian local was chartered in Toronto in 1894.

The UIU adopted its union label in 1897, and it received its charter from the American Federation of Labor in 1900.

As more shops were organized, the UIU also expanded its jurisdiction to include such crafts as mattress and spring makers, drapers, carpet sewers and layers, casket makers, carriage and auto trimmers and eventually window trimmers and flag and bunting makers.

AT THE SAME time, the union shifted its focus from craft-by-craft organizing to organizing by shop.

The union was an early supporter of the eight-hour day, and its first legislative push was for sanitary working conditions through support of labeling laws for mattresses, pillows and similar products. Manufacturers required to guarantee the sanitary condition of these products had to clean up the shops where they were made.

The UIU points with pride to its 1919 convention, when it seated its first women delegates and adopted a resolution requiring the addition of women members to the union's executive board, since 20 percent of the membership was female.

Other early resolutions demanded that contracts pay men and women equal wages for equal work. The UIU also claims the honor of being the first national union to establish the concept of vesting and portability of workers' pensions.

ONE OF THE union's most successful organizers, Sal B. Hoffman, formed the first integrated local union in the South in Birmingham, Ala. in 1930. In the same year, he organized a local in High Point, N.C., which conducted one of the nation's earliest sitdown strikes.

Hoffman was elected president of the UIU in 1937 and he held the post for 44 years until his death in 1981.

CENTENNIAL CEREMONIES marking the anniversary of the founding of the Upholsterers in Philadelphia featured a series of displays and events at UIU headquarters, including an exhibit of labor cartoons by Bernard Seaman. At the exhibit are, from left, UIU President Martin L. Garber, Executive Vice President John Serembus and Elmer Chatak, secretary-treasurer of the AFL-CIO Industrial Union Dept.

Reagan Budget Proposal

Rail Unions Fight Move To Abolish Pension Plan

Railroad unions have pledged an all-out fight to prevent President Reagan's budget proposals from abolishing the railroad retirement system that has existed for almost half a century.

As part of his fiscal 1983 budget, Reagan has called for the direct abolishment of the Railroad Retirement Board by Oct. 1, 1982, merger of Tier I retirement benefits with social security, administration of Tier II benefits by a private corporation, and fragmentation of railroad unemployment benefits into 50 different state plans.

THE RAILWAY Labor Executives Association promised to fight the Reagan moves across the board. It noted in a statement that the proposals came as a complete surprise to rail labor, which was neither consulted nor notified that such changes were to be included in the President's budget.

Charles J. Chamberlain, labor member of the Railroad Retirement Board and former president of the Signalmen, strongly protested the Administration's proposals in testimony before a Senate Appropriations subcommittee.

"We spent our entire working lives building this (retirement) program," Chamberlain said in an interview following the subcommittee hearing. "We're not going to let them take it away from us."

Retirement benefits for railroad workers are derived from two sources, known as Tier I and Tier II. Tier I benefits are comparable to social security benefits paid retired workers in other industries and are financed by worker and employer taxes at the same level.

Tier II benefits are paid under a program financed entirely by the carriers and administered along with the Tier I program by the Railroad Retirement Board.

Under the Reagan plan, designed by Director David Stockman of the Office of Management & Budget, the Social Security Administration would take over Tier I benefit payments, but only for those who would qualify under social security, while Tier II benefits—including early retirement benefits, widow's benefits, and occupational disability benefits—would be turned into a private plan administered by some type of private corporation.

DETAILS OF the proposed corporation have not been spelled out.

"Presumably, rail labor and management would have to agree on something and literally put it together overnight," the RLEA statement said. "Two things are clear, however: all board field offices would be closed almost immediately, and Tier II benefits would be subject to income tax."

Chamberlain pointed out that the already weakened social security system would only be made worse if it were burdened with another million retired railroad worker recipients.

He also criticized the Administration recommendation that a new private railroad pension plan to replace Tier II be exempt from the protection of the Employee Retirement Income Security Act. Without that protection, he said, some retired workers could find themselves with reduced benefits or could even end up with no benefits at all if the railroads they had worked for ran into serious financial difficulties.

ON THE proposal that railroad unemployment insurance be eliminated and parceled out to the states, Chamberlain pointed out that the present system is now uniform across the nation and added:

"This is going to push it into 50 different programs, most of which already exhausted their funds and are now tapping into the federal government for additional money."

'I Thought You Were Getting OFF Our Backs!'

Trade Code Violations Laid To Lax Monitoring Efforts

The United States should take a closer look at the impact of the last round of tariff agreements before entering into new multilateral trade negotiations, AFL-CIO Research Director Rudy Oswald testified at Senate hearings.

Trade ministers of the 86-nation General Agreement on Tariffs & Trade (GATT) will meet in November, and Oswald cautioned against steps that could result in further erosion of U.S. industries.

THE VARIOUS trade codes negotiated under GATT auspices and implemented by Congress in 1979 need "constant monitoring and enforcement" of U.S. rights. "But no such monitoring has taken place," Oswald protested. The result has been that U.S. exports lose out, he said, while foreign suppliers have access to the vast U.S. market.

Oswald cited the millions of Americans now without jobs and stressed that imports have compounded unemployment pushed up by the recession and tight money.

"U.S. negotiators should not continue to ignore the cost of trade on this economy while ballyhooing its benefits," he said. The "onesidedness" of the seven rounds of tariff-cutting negotiations that have taken place since 1974 has cost the nation heavily in lost jobs and production, Oswald charged.

"NO MORE codes should be completed and brought to Congress for approval until there is some understanding of the massive agreements reached less than three years ago," Oswald said.

He noted, for example, that the agreements adopted in 1979 prohibit nations from subsidizing their manufactured exports. But the problems of subsidized trade still exist.

Oswald pointed out that U.S. imports of manufactured goods rose 13 percent last year, while exports of manufactured products were up only 7 percent.

And he stressed that there's more to trade than the dollar value of exports.

"The United States exports much raw material involving relatively little labor instead of manufactured goods and processed foods which require considerable labor output."

AT THE urging of its trading partners, the United States in 1979 changed its law that had required imposition of countervailing duties on imports that had been subsidized by foreign governments, Oswald recalled.

The outcome, he noted, has been that "subsidized steel products are entering the United States at an even greater rate."

He told the Senate Finance Subcommittee on Trade that promises made to Congress on subsidized imports from developing countries have been broken.

"The posture of the U.S. as an inept negotiator, turning industry after industry over to foreign producers who ship subsidized exports to the United States had a devastating effect on American firms," Oswald said, and on "workers whose production and jobs are lost as a result."

MEANWHILE, the United States is held to the strict letter of the trade agreements "as if fixed in concrete. That is a one-way street," he warned.

A similar one-way street has existed in the government procurement code, Oswald protested. The promised massive U.S. exports have not materialized. But "massive U.S. imports have been encouraged," he said.

Maritime Unions Blast Denial of Veterans' Status

The AFL-CIO Ad Hoc Maritime Committee has strongly condemned a Pentagon official's refusal to grant veterans' status to U.S. merchant seamen who served during World War II.

The AFL-CIO committee pledged that it would take "all appropriate legal action to secure the recognition to which these men are entitled under the law."

In a statement issued by Committee Coordinator Dale Good, the group charged that Tidal W. McCoy, Assistant Secretary of the Air Force for Manpower, Reserve Affairs & Installations, "displayed the usual prejudice held by many members of the regular armed forces" in stating that "the service of the merchant marine has remained basically the same over the last several hundred years," and in his contention that the U.S. merchant marine was not a "unique wartime institution."

It is "shocking and absurd," the committee said, that McCoy conferred veterans' status on "clerical employees, therapists and dieticians, among others, who did not risk their lives and limbs," while rejecting the claims of seamen who were treated and used as a branch of the armed forces.

The committee pointed out that the merchant fleet during World War II sustained higher casualties than any other branch except the U.S. Marines.

Kirkland Condemns Slaying Of Chilean Labor Leader

The AFL-CIO condemned the slaying of a long-time free union leader in Chile, charging that his murder was politically motivated, and called on President Reagan to withdraw his request from Congress for military aid to the Pinochet dictatorship.

In a letter to Reagan, Federation President Lane Kirkland said withdrawal of the request for aid would send "a clear message that this government rejects the use of political murder as means of destroying free unions."

KIRKLAND TICKED off a list of names of slain Latin American trade unionists in recent years, including those of two AFL-CIO staff members, Michael Hammer and Mark Pearlman, and noted that hundreds more labor leaders struggling for democracy and freedom have been "wantonly slaughtered" by dictatorial regimes ranging from Pinochet's autocratic Chile to Castro's communist Cuba.

Kirkland deplored the Feb. 26 killing of Tucapel Jimenez, leader of the Democratic Union Confederation of Chile, as "perhaps the most heinous in the long list of these terrible murders."

Jimenez's body was found beside the taxicab he drove to supplement his living with his throat cut to the point of near-decapitation and with two bullet holes in his head. He had just issued a call for greater trade union solidarity on Feb. 23, to confront the economic, social, and political injustices of the Pinochet dictatorship.

Joseph Campos of the American Institute for Free Labor Development, who spoke at Jimenez's funeral as Kirkland's special representative, observed that only a few days before his voice "pioneered the call for trade union unity, barring nobody. It is painful to say this, but your call was like the song of a dying man."

THE LATIN AMERICAN free trade union movement has paid dearly with the loss of the lives of many of its leaders in the past two decades, Kirkland pointed out in his letter to Reagan. He charged that Jimenez's death was designed to intimidate all Chilean labor leaders into submission to the Pinochet regime.

"We demand a complete and impartial investigation of this crime by the human rights commission of the Organization of American States (and) we request that the International Labor Organization activate its full scope of legal and moral authority against the Chilean government," Kirkland said.

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3/6/82

Layoffs Trigger Surge in Jobless Rate

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8.8% Mark Reflects Sag In Economy

By James M. Shevis

The nation's jobless rate moved back up to 8.8 percent, approaching the peak post-World War II level, as layoffs in February mounted in industry after industry.

The February unemployment rate, up three-tenths of 1 percent from the January level, provided fresh evidence that the economy continues to weaken under the burden of high interest rates, the AFL-CIO pointed out.

THE HIGH unemployment figures "prove again that economic conditions are getting worse, not better," declared Federation President Lane Kirkland. The post-war record rate was 9 percent, set in May 1975 during one of the nation's most severe recessions.

"It is no consolation to those looking for jobs for President Reagan to say his economic plan will begin to work at some indefinite time in the future," Kirkland added. "The plight of the jobless is being made much worse by the Reagan budget cuts. Those cuts must be reversed."

The Bureau of Labor Statistics attributed the February rise in joblessness to an increase in the size of the labor force, as employment failed to increase for the third straight month, and to a sharp rise in unemployment among adult women. The jobless rate for this group increased from 7.2 to 7.6 percent, its highest point since 1976.

SOME 9.6 MILLION Americans were out of work last month, an increase of 280,000 over January. Since last July, when unemployment stood at 7.2 percent, 1.8 million workers have lost their jobs.

"It is time to put the jobless to work," Kirkland said. "American labor has proposed an alternative program that will revive and rebuild our economy. It is now up to the Congress to act."

BLS Commissioner Janet L. Norwood told the congressional Joint Economic Committee that non-farm payroll jobs have decreased by 200,000 since December. She said manufacturing employment, down more than a million since last summer, continued to decline in February although at a slower rate. Among specific industries affected were metals, rubber and plastics.

CONSTRUCTION employment rose in February after seasonal adjustment, but the over-the-month change was distorted by severe weather in January, Norwood said. Since December, nearly 50,000 jobs have been lost in the construction industry. Mining jobs edged down for the second month in a row.

As many analysts had cautioned, the January unemployment figures, which showed a dip in the jobless rate from the December level of 8.8 percent to 8.5 percent, were skewed by unusually bad weath-

(Continued on Page 6)

Kirkand Asks Reversal Of Tax, Budget Policies

LABOR'S ALTERNATIVE to the Administration's recession-breeding program is presented by AFL-CIO President Lane Kirkland at House Budget Committee hearings. From left: AFL-CIO Assistant Research Director Arnold Cantor, Kirkland, Legislative Director Ray Denison and Legislative Rep. Peggy Taylor.

Terms Job Creation Key To Recovery

By David L. Perlman

AFL-CIO President Lane Kirkland pressed Congress to make a full 180-degree turn away from the Reagan Administration's economic course and shape a budget that will reduce deficits by lowering unemployment and plugging tax giveaways.

Kirkland's appearances before the House Budget Committee and the Senate Finance Committee came amid signals that congressional support for Reaganomics is crumbling under the pounding of a recession that has afflicted nearly every congressional district.

HOUSE AND SENATE committees have been ignoring the Administration's rigidly ideological budget blueprint in shaping recommendations for a congressional budget resolution. But Congress is far from agreement on the ingredients of an alternative budget, and Kirkland cautioned against some of the "trial balloons" being floated on Capitol Hill.

Most such proposals call for a spending freeze as well as tax cut deferments, Kirkland noted, "and do not address the fundamental problems of jobs, programs and tax justice."

He stressed the AFL-CIO's conviction that "getting people back to work is the key consideration." To bring that about, Kirkland insisted, requires "a total renunciation of the tax and budget policies of this Administration."

IN HIS Senate testimony and in response to questions at the House budget hearings, Kirkland criticized both Admin-

(Continued on Page 3)

ILO Bids Poland Free Jailed Trade Unionist

Geneva—The Governing Body of the International Labor Organization called on Poland to free imprisoned leaders of the Solidarity trade union and to permit an ILO fact-finding mission to visit Poland.

The action came over vehement Soviet objections, with the USSR's representative accusing the Governing Body of pursuing a double standard by "interferring in the internal affairs of Poland" while refusing to take a stand last year on President Reagan's decision to fire striking members of the Professional Air Traffic Controllers Organization in the United States.

Poland's military regime, headed by Gen. Wojciech Jaruzelski, clamped martial law on the country last Dec. 13, charging that Solidarity leaders threatened to take power into their own hands. Solidarity activities remain suspended to this day.

ROBERT W. SEARBY, chief government delegate for the United States, told the ILO Governing Body that "because a trade union is democratic and represents a large part of the workforce does not mean it is dangerous and illegal.

"If so, all unions everywhere could be called political and be suppressed. The issue was not one of politics but of internationally defined human rights. The suppression of Solidarity violated freely ratified conventions and the ILO constitution."

Searby noted that ILO conventions are designed to prevent the very type of action taken in Poland, where a so-called "workers' state" suppressed a workers' movement of 10 million people.

AFL-CIO EUROPEAN Rep. Irving Brown, reinforcing Searby's argument, said that Solidarity was not to blame for what went wrong in Poland three months ago.

"There was no civil war, no para-military preparations by the union. Solidarity was a consequence of economic chaos and not the cause of it. Arguments defending martial law are specious," Brown charged.

"The 'high crime' of Solidarity was to want participation in economic control," he said. "It was a movement for freedom and peace which held promise of bridging different world economic systems, and

(Continued on Page 7)

Credit Pressure, Sanctions Urged Against Soviets

Economic pressure by the United States and its allies is the most effective way to make the Soviet Union and its satellites live up to international agreements, AFL-CIO President Lane Kirkland said.

Kirkland was asked at a House Budget Committee hearing about his advocacy of strong economic sanctions in response to the suppression of Poland's workers and other Soviet bloc actions flouting international agreements.

HIS RESPONSE noted the long trail of Soviet bloc violations of international treaties, of which the disregard of the human rights obligations of the Helsinki Agreement and the violation of International Labor Organization conventions on

(Continued on Page 7)

No Matter What the Job, Women's Earnings Lag

By Susan Dunlop

No matter what the job, women still get paid less on the average for doing it than men, a new survey by the Bureau of Labor Statistics confirms.

The Labor Dept.'s statistical arm compared the usual weekly wages of full-time employees in its Current Population Survey of households and found no job classifications in which men and women doing the same work were paid equally. Overall, women get paid less than 65 percent of what men take home in weekly wages from most jobs, the BLS study found.

IN ITS comparison of the 20 highest-paying jobs held by men or women, even the highest-paying category for women was still below the lowest of the top 20 jobs held by men.

The study also underscored the evidence that women are concentrated in lower-paying clerical and service occupations and are underrepresented in higher-paying job classifications such as engineers, lawyers and managers.

The BLS survey excluded most self-employed workers and covered only those occupations in which there are at least 50,000 workers employed. But the agency pointed out that even with these restrictions, the data cover nearly 95 percent of the workforce of full-time wage and salary earners in 1981.

ABOUT 40 PERCENT of the 73 million workers covered by the survey were women. The median weekly wage overall for women was $224, or 64.7 percent of

(Continued on Page 8)

Senior Citizens Protest Deep Cuts in Medicare

President Jacob Clayman of the National Council of Senior Citizens told a House Ways & Means subcommittee that the Administration's 1983 budget proposals "will cut into the bone, indeed, into the marrow, of health care for the aged."

Clayman excoriated President Reagan's plan to cut approximately $2.5 billion from Medicare in fiscal 1983, charging that the elderly "will pay more but get less."

"WE BELIEVE that the budget proposals will impose unreasonable financial burdens on the elderly and will threaten their health status," Clayman said. "The Administration proposals offer no improvement in the health care system."

The short-sighted proposals, he warned, "ignore the critical problems of delivery and reimbursement, and are designed simply to shift increasing health care costs away from the federal budget to the senior citizens and to the private sector."

Clayman detailed the damaging effects that health care inflation has on the elderly.

As costs increase, the elderly must pay higher co-payments and deductibles, he told the subcommittee, with Medicare now paying only 38 percent of an older person's total medical bill.

"Current hospital room rates are directly reflected in the $260 deductible that beneficiaries now pay for each benefit period under Medicare Part A," he said.

"In addition, as inflation causes the federal government to pay disproportionately more for services such as hospital care—which has a 17 percent inflation rate—coverage for other needed services, such as chronic care, must be foregone," he noted in the testimony.

"THE ELDERLY need reimbursement reform, such as a prospective system, and are offered no reform. We need development of non-institutional long-term care and are offered reduced benefits for home health care.

"We need more physicians to accept Medicare's reimbursement levels and are offered strategies which will reduce assignment and increase our costs.

"We need proposals that will help moderate health care costs, but are offered increased deductibles and higher levels of cost sharing.

"We need what all Americans need," Clayman concluded, "access to an affordable, comprehensive range of services that truly meet our needs. We have not been offered such access by the Reagan Administration."

Stockman's 'Cure' Prostrates Economy

Unemployment and high interest rates are good for you, according to David Stockman, President Reagan's chief budget adviser.

Stockman told a U.S. Chamber of Commerce audience that high interest costs, heavy unemployment, lost output from recession and large federal deficits are not cause for changing the Reagan Administration's economic policies.

These calamities, he insisted, "are part of the cure, not the problem."

The Administration is following "the only course that's right for the country," he said.

James Sampson Dies, Stereotypers' Leader

Glenview, Ill.—James H. Sampson, president of the Stereotypers & Electrotypers from 1955 until the union merged with the Printing & Graphic Communications Union in 1973, died Mar. 2 of a heart ailment. He was 73 years old.

Following merger, Sampson served as a vice president of the IPGCU. He retired in 1980. Sampson had been a member of the union's Local 4 in Chicago for 55 years.

Survivors include his wife Ann and two sons. Services were held in Glenview.

Rubber Workers Open Talks with Tire Producers

The Rubber Workers opened negotiations with the nation's tire industry, seeking new contracts to replace current agreements that expire Apr. 20.

Both sides expressed optimism over reaching a timely settlement, pointing out that communications between them have improved over the past five years.

THE UNION initiated bargaining with Firestone officials in Cleveland, B. F. Goodrich in Columbus, Ohio, and with Goodyear Tire & Rubber Co. in Dayton. Uniroyal Inc., the other major tire-maker, agreed last December to accept the master agreement approved by the other three companies.

URW President Milan Stone, who was elected last October to succeed the retired Peter Bommarito, said some 45,000 members of the union will be affected by the bargaining.

Union goals include improvements in wages, benefits and protections, particularly in the areas of pensions, safety and health, and cost-of-living allowances after retirement. Also, the union will be looking for greater worker protection in the event of plant closures.

All four major firms are in solid financial condition, making good profits last year, Stone observed.

'Union Angels' Renovate Cleveland Aid Center

Cleveland—Laid-off union building tradesmen here are having a rough time making ends meet. But that's not stopping them from working without pay to convert an old bar and bowling alley into an emergency aid center to feed and clothe people whose circumstances are worse than their own.

The building trades volunteers are called "union angels" by Sister Kathleen Kilbane, who is director of the West Side Catholic Center.

THE CENTER has been providing daily lunches for 200 needy persons and clothing for as many as 1,200 monthly in its old quarters, a former funeral home. But the center has run out of room, so it is expanding.

"We put out a plea for help and these wonderful union members and their leaders responded," said Sister Kilbane, who said she operates the center on the biblical philosophy of the loaves and the fishes. "What we receive from donations, we give out," she said. "Somehow it just seems to work out."

The Cleveland AFL-CIO and the Building & Construction Trades Council had heard of the need and recruited the unions.

A DOZEN members of Cement Masons Local 404, Laborers Local 310 and Teamsters Local 436 worked two days to complete a cement floor over the former bowling lanes.

Tile Setters Local 36 moved in with a dozen men and secured donated tile to completely turn the former bar into an eating and recreation place for the many needy persons who live in the neighborhood. Members of Electrical Workers Local 38 and Plumbers Local 55 donated their time installing new wiring and plumbing. The second floor will be used for an emergency shelter for abused women.

"It is beautiful what these nuns and volunteers are doing here to feed and clothe really needy people," said Peter J. Oliver, 58, a 32-year veteran of the cement finishing trade who has been off work since November. He said it was just good to be working with cement again.

Herman Panigutti, business agent of the Cement Masons local, said that when the story about the work hit the newspapers, the union received a dozen calls or more from other members volunteering to help.

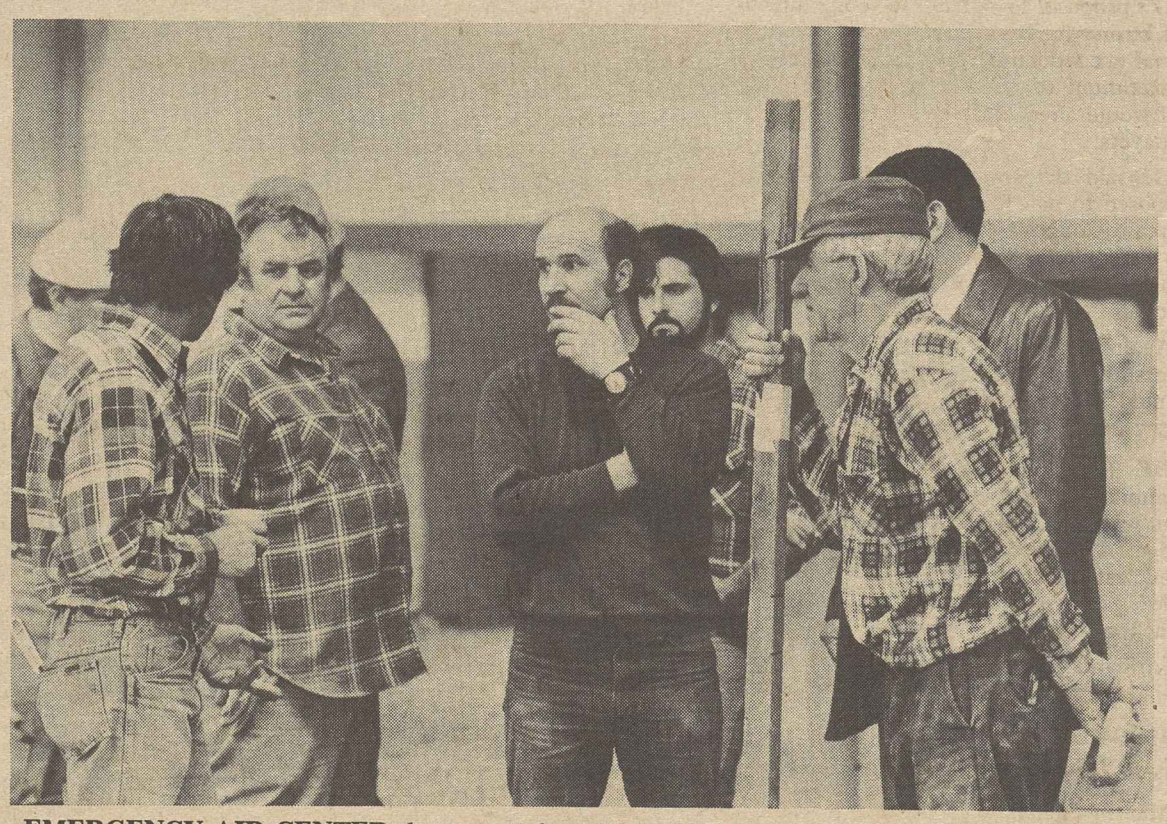
SISTER KILBANE, whose center serves all religious denominations, said the building was purchased for $135,000 with donations from 18 West Side Catholic churches. Money for renovation ran short.

"Without the union members and the contractors, we'd be dead ducks," she said.

She said it would cost an estimated $10,000 for the floor and another $10,000 for the tile work.

She also got a surprise $900 food donation from the Food & Commercial Workers District 427 after its president, Frank Cimino, saw the renovation. A major supermarket joined the union effort in making the food available.

"Because of the unions it looks like we will be able to open in May as we earlier planned," Sister Kilbane said.



EMERGENCY AID CENTER that serves the needy on Cleveland's West Side is being renovated by unemployed building trades craftsmen who are working on the project without pay. Patrick Kilbane of Cement Masons Local 404 works the trowel as Sister Kathleen Kilbane, center director, and Local 404 Business Agent Herman Panigutti observe the progress. The Kilbanes are not related. Above, Cement Masons discuss the project. Included are Local President Daniel Owens and members Geno Zaccardella, Samuel Scarpelli, Louis Sandera and Patrick Kilbane. Sister Kilbane is with the Sisters of St. Joseph.

Jobs Key to Recovery

Kirkland Asks Reversal Of Tax, Budget Policies

(Continued from Page 1)

istration and congressional proposals to cut back "entitlements" under government programs and to abolish or limit cost-of-living indexing of various retirement benefits.

The victims of such cutbacks will be those who have already been hardest hit by last year's retrenchments and the many workers pushed out of their jobs, Kirkland protested.

"These people are placed in an unprecedented double jeopardy of having their jobs destroyed by the Administration's blind adherence to dismal economic theory, and then having their subsistence threatened by budget cuts," he testified.

AT HOUSE hearings, Kirkland was asked whether union contracts in depressed industries that postponed cost-of-living adjustments set a precedent for "reducing the impact of indexing" on the federal budget.

Kirkland rejected the analogy, stressing that union contract concessions are negotiated, and workers affected receive in return provisions that will strengthen their job security.

He reminded Congress that it turned to an automatic cost-of-living adjustment for social security to get off a pattern of political pressure to vote big increases in benefits in election years.

"IT IS WELL to remember when one tears down a structure why it was built in the first place," Kirkland suggested.

Indexing tied to the cost of living "is a messenger," Kirkland said. "It is not a cause of the problems that we have. It brings the message of what is happening in our economy."

A "far more fruitful area for Congress to address," Kirkland suggested, "would be this terribly destructive, lethal tight-money policy which is locking us into high interest rates."

At both hearings, Kirkland put forth the AFL-CIO's alternative to the Administration budget. He called for job-creating investments in public facilities, revival of the housing industry, restoration of job training programs, curbs on economy-destroying imports, and establishment of a Reconstruction Finance Corp. "to start the rebuilding of the economic and urban industrial base that is the economic lifeblood of the nation."

KIRKLAND termed the Administration tax bill that Congress enacted last year "irresponsible" and reiterated the AFL-CIO's proposal to repeal the most unjustified business giveaways and limit the individual tax reductions this year and next to a maximum of $700 a family—a ceiling that would affect only about 15 percent of taxpayers.

He said the surtax the AFL-CIO has proposed to pay for any defense spending increase Congress deems necessary should tap the income of corporations before tax-avoidance loopholes, as well as individual incomes.

Again and again, Kirkland hammered across the point that a healthy economy pointed toward full employment is the only path to a balanced budget.

HE REMINDED the House Budget Committee that last year it had adopted what was supposed to have been a balanced budget. It turned into a huge deficit instead, with the help of a "fiscally irresponsible" tax cut and the Administration's "crackpot" economic theories.

Kirkland likened the destructive effect of the Administration's tight-money policy to wartime devastation.

In effect, he said in response to a question, "we have destroyed something over a million houses a year that ought to have been built and would have been built, sold and occupied" if interest rates hadn't been kept so high. "We probably didn't bomb that many houses in a year in World War II."

AND HE spoke repeatedly of the people in every part of the country who are the victims—of a South Carolina cotton mill town where he lived as a youth, where unemployment is now about 20 percent and "the last mill in that town closed down."

In Senate testimony, Kirkland noted the multiple battering that the poor and unemployed are taking.

When unemployment insurance is cut back, it's a cut also in food and health care for the children "whose parents are able to provide for them only because of jobless benefits."

Families that are hit by reductions in AFDC welfare benefits are further punished by "cuts in child health programs, community medical care programs, day care and the like—all of which were designed to make it possible for children born in poverty to have a chance to end the cycle of deprivation being passed on from generation to generation."

HE URGED the committee, in considering Administration demands for new retrenchments, "to look at those cuts not as separate, isolated programs, but as another door being slammed on people" who have already borne the heaviest burden.

"No more sacrifices can be made by these Americans of all ages who were battered by last year's cuts and now face further erosion of their meager life support programs," Kirkland insisted. "No more sacrifice."

Caplan Elected to Head Area Histadrut Group

Marvin Caplan, who served as legislative director of the Industrial Union Dept. and director of the Leadership Conference on Civil Rights before his retirement last year, has been elected chair of the Washington Area Friends of Histadrut.

The organization has helped Israel's trade union federation provide scholarships for young workers, among other activities.

AS LAID-OFF AUTO WORKERS jammed a Capitol Hill hearing room, UAW President Douglas A. Fraser told a House Commerce subcommittee that a domestic content law would help revive the ailing U.S. auto industry and create thousands of new jobs. Fraser was joined by UAW Research Director Sheldon Friedman, left, and Legislative Director Richard Warden.

UAW Drawing Up Proposals For American Motors Pact

The Auto Workers voted to open talks with the financially ailing American Motors Corp. over the company's four-month-old request for wage and benefit concessions to see it through its current sales slump.

But at a caucus of its 42-member American Motors Council in Milwaukee, the union rejected an updated version of the firm's original "employee investment plan," and said it would come up with a counterproposal.

UAW PRESIDENT Douglas A. Fraser said following the vote that while the original AMC plan "demanded too much of the American Motors worker," the idea of investing in the firm was "constructive, innovative and we're interested in it."

AMC is the third auto company with which the UAW has agreed to enter into early contract talks this year. Negotiations with Ford Motor Co. produced an early settlement, while bargaining with General Motors Corp., ended in failure. The GM talks are expected to resume shortly, however, and the union has also agreed to begin early talks with International Harvester Co., which makes farm machinery, trucks, and construction equipment.

Under AMC's original proposal, wages would revert to the level in effect prior to the last general increase in September 1981 and remain frozen for 22 months until January 1984. Employees would also give up certain paid time-off provisions and some additional vacation time.

IN RETURN, workers would have their deferred pay increases placed in individual accounts, and the company would repay the amount with 10 percent interest beginning in 1984.

AMC officials said the plan would generate $150 million toward a $1 billion product development program.

UAW Sec.-Treas. Ray Majerus told AMC officials that "we will put together a counterproposal as quickly as we can." He said "the whole thrust of the plan is to provide job security."

Bank Descriptions of IRAs Challenged as Misleading

Bank advertisements claiming spectacular returns from Individual Retirement Accounts (IRAs) are "grossly misleading" and could lead to loss of confidence in the nation's social security system and pension programs.

These charges are leveled by Milton Gwirtzman, former chairman of the National Commission on Social Security, who has asked Chairman Paul Volcker of the Federal Reserve Board to investigate the matter.

IN A LETTER to Volcker, Gwirtzman said banks under the Fed's jurisdiction are running ads almost daily in major newspapers claiming that a couple investing $2,000 each in an IRA for 30 years will become millionaires. The ads are deceptive and misleading in two respects, Gwirtzman points out.

First, at the bottom of the ads in very small type, the banks admit that their calculations result from applying an average interest rate on the deposit of 12 percent, compounded daily. The actual rate to be paid, however, will be based on the going rate for six-month certificates of deposit, Gwirtzman notes. And the average interest rate paid by banks on six-month certificates over the past 30 years has not been 12 percent, but 5.5 percent. The only year in which the certificate rate hit 12 percent was in 1981, he points out.

The other misleading aspect of the bank ads, Gwirtzman says, is that to arrive at their claims, they "must assume double-digit inflation will persist for the next 30 years. (Banks do not pay 12 percent for six-month certificates if general inflation is only 6 or 7 percent.) If that happens, a $652,000 balance in an IRA 30 years from now will be worth only $37,000 in today's dollars.

"This assumes only 10 percent inflation each year. If inflation proves to be higher, it will be worth less. The buying power of the nest egg will have shrunk because, under the inflation the ads do not warn about, prices will be astronomical.

Gwirtzman pointed out that the reason the allowable yearly contribution to an IRA was doubled by last year's tax legislation was to coax additional money into the savings stream, where supposedly it would be invested to help increase the nation's productivity.

"The bloated figures contained in these ads assume the program will fail and inflation will continue unchecked," he observed. "If this happens, IRA depositors will discover to their horror that being a millionaire is a long way from living like one."

Now a Boston attorney, Gwirtzman served as chairman of a bipartisan commission established by Congress to review and recommend retirement options. The panel submitted its final report in March 1981, concluding that social security and expanded private pensions negotiated between workers and employers were vital to America's retirement security.

GWIRTZMAN SAID he was concerned that the "deceptive IRA advertising campaign" being run by the banks will persuade the public that programs like social security and company pensions are unnecessary in view of the promised "bonanza" available from the IRAs.

He asked Volcker and the Fed's board of governors to order all banks subject to its regulatory powers to halt the "misleading" IRA advertising, or alternatively to make it very clear what the real buying power of the yield will be upon retirement.

Stock Exchange Accord to Boost Pay, Benefits 32%

New York—The Office & Professional Employees have negotiated a three-year agreement with the New York Stock Exchange employers group that increases wages and benefits 32 percent for some 2,700 workers.

The agreement, retroactive to last Nov. 1, provides for a 9-percent wage increase the first year; 8 percent next Oct. 31, and 8.5 percent effective Oct. 30, 1983.

OPEIU President John Kelly, who is also business manager of Local 153 which represents the Big Board employees, said the improvement in fringe benefits is valued at 6.5 percent.

Under the agreement, employers assume payments to the retirement funds of 3 percent of each worker's salary, and beginning in October 1983 health plan coverage will be extended to retirees.

The contract covers NYSE workers, as well as the exchange's three subsidiaries: Deposit Trust Co., Securities Industry Automation Corp. and the New York Futures Exchange.

'Stop The Massacre'

A **THREE-TERM** Republican congressman from western Pennsylvania stood before the House on the afternoon of Mar. 9 to tell his colleagues that the emperor had no clothes.

The Reagan Administration economic program that he and other Republicans had loyally followed has been a disaster. Fifteen percent of his constituents are unemployed. Good and needed programs have been destroyed.

"The time has come to stop this massacre," Rep. Marc Lincoln Marks urged.

He spoke in sorrow "as one who voted for every major program that Ronald Reagan and this Administration had put forth." He had swallowed his doubts because, "like so many of you, I believed this Administration's plan should be given a chance to work."

BUT IT CLEARLY hasn't worked, Congressman Marks said. His jobless constituents are owed "not only an explanation" but a restoration of their jobs and self-respect. There's only "more misery" ahead, he warned, if the Administration doesn't acknowledge that its "voodoo economics" hasn't worked and doesn't start making "the necessary corrections."

The Pennsylvania congressman voiced his agreement with the sharp criticism leveled against the President a week earlier by Sen. Bob Packwood of Oregon, the chairman of the Republican Senate Campaign Committee.

Packwood said President Reagan appears to have "written off" working women and minorities, and has a concept of America that doesn't square with reality.

To smooth ruffled feathers, Packwood subsequently apologized to the President. But he pointedly did not take back the substance of his remarks.

Congressman Marks, who is not seeking re-election, wondered aloud at the Administration's failure to respond to the concerns of labor "to avoid the acid rain of economic disaster."

HE CAUTIONED his GOP colleagues that "if present policies persist, the American people will choose new leadership—and how can we blame them?"

On the facing page of this issue is comparably dramatic testimony from the business community, at least from one of its more responsible leaders.

It's worth reading in full, and it makes this unanswerable point: "The biggest weakness of the Reagan Revolution is that it is just plain unfair."

The president of Time, Inc., J. Richard Munro, concedes that the economic fallacies of the Reagan program "were obvious from the start. We all knew that, but we went along anyway."

And the burden of sacrifice, he reminds us, has fallen on the poor, "who had less to do with this mess than anyone else."

OTHERS, in and out of Congress, have been coming to the same conclusion.

Obviously, it is still an uphill battle to persuade this Congress to make the sharp turn that is necessary to get us on the road back. A few mea culpas do not a Senate majority make.

But America's voice is beginning to penetrate—even to Capitol Hill.

AFL-CIO News

Official Weekly Publication of the
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THOMAS R. DONAHUE, *Secretary-Treasurer*

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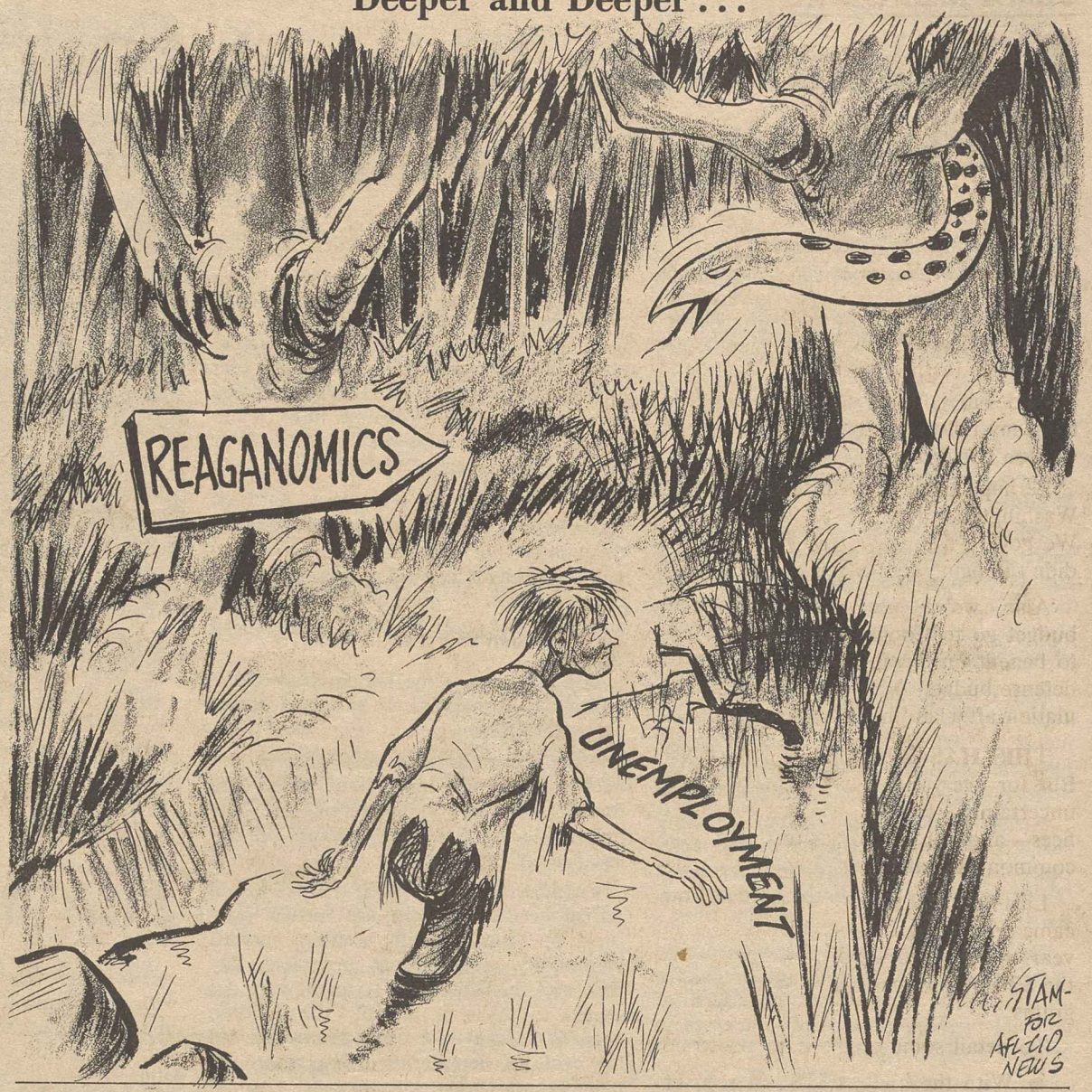
Deeper and Deeper . . .



Tenets Still Apply

Reagan Has Much to Learn From Madison's Federalism

By Gus Tyler

ONE NIGHT, as Ronald Reagan was contemplating the "new federalism," his eye—or his mind's eye—fell upon the figure of an ancient man, with powdered wig topping a solemn mien.

"And who may you be?" asked RR in his usual amiable manner.

"I am James Madison," said the figure in a Virginia accent.

"And what may I do for you?" asked RR.

"You could do me a favor by reading Federalist Paper No. 10 that I had the honor to write almost 200 years ago."

"Isn't it out of date?" asked RR.

"It will be out of date just as soon as human nature is out of date," grunted Madison.

"OH, I KNOW all about human nature," smiled RR. "That's why I am promoting my new federalism. The only people you can trust are those who are part of your small circle, whether it be your state, your country, or your town. The less interference from the federal government the better. Right?"

"No," snorted Madison, "wrong. Let me read you a few words from my No. 10. 'The smaller the society, the fewer probably will be the distinct parties and interests composing it; the fewer the distinct parties and interests, the more frequently will a majority be found of the same party; and the smaller the number of individuals composing a majority, and the smaller the compass within which they are placed, the more easily will they concert and execute their plans of oppression.' "

"Oppression?" asked RR. "Why should a majority want to oppress a minority?"

"BECAUSE THAT'S the way of human nature," continued Madison. "To quote myself again. 'The latent causes of faction are sown in the nature of man. . . . [They] have divided mankind into parties, inflamed them with mutual animosity, and rendered them much more disposed to vex and oppress each other, than to cooperate for their common good.' "

"But, if that is so," said RR sorrowfully, "we are all lost. We will all be the victims of prejudice and oppression. How can we wipe out these causes of faction?"

"You can't," replied Madison flatly. "If you had read No. 10, you would see that I said so bluntly. But don't despair. There's a way to handle it. Put only limited power in local governments, in towns and states. Put more power in the federal government because the bigger and the more diverse the power center, the less likelihood will there be that any one interest will be a majority. Indeed, that's exactly why we created a United States in the first place."

"It doesn't say so in the Constitution," demurred RR.

"THAT'S WHY you ought to read No. 10. Just one final quote: 'Extend the sphere (roll the states into one big government) and you take in a greater variety of parties and interests; you make it less probable that a majority of the whole will have a common motive to invade the rights of other citizens."

"Are you trying to tell me that the rights of citizens are more secure with the federal government than with the states?" asked RR.

"You're a quick study, lad. You'd get a lot out of reading No. 10."

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A Society's Obligation To the Unemployed

One in ten American workers is currently looking for a job. When unemployment strikes, it is the duty of a responsible and a civilized society to:

- **Assist the unemployed in their job search through effective employment services.**
- **Improve the skills of the unemployed through realistic job training programs.**
- **Maintain a decent quality of life through unemployment insurance.**
- **Develop a strategy for relieving the burdens of the unemployed by creating jobs.**

The Administration has failed to perform these four basic tasks.

—Rep. George Miller (D-Calif.) in House debate on funding for employment services.

'Just Plain Unfair'

A Business Leader Speaks Out On Reagan's Harmful Policies

The following is excerpted from a speech by J. Richard Munro, president of Time Inc., to the Association of National Advertisers in New York, Feb. 25.

THE REAGAN REVOLUTION is doing grave danger to the quality of life in America.

And I'm concerned at the silence about this from my fellow business executives. Is it because we don't realize what's happening?

Perhaps we're still dazzled by the goodies from Washington for business, especially the tax cuts. We got 10-5-3 and other corporate tax cuts we didn't imagine getting in our wildest dreams.

Also, we've just seen the 1983 fiscal year budget go to Congress, with plenty of programs to benefit business, especially if you can tap the defense budget. And we've seen one business regulation after another slip away.

THIS HAS BEEN a good year for business. But for everyone else, it's been a year of great uncertainty—for the poor, a new host of sacrifices—and for us all, a decline in the ethic of common obligation.

Last year, 70 percent of the $35 billion in cuts came from programs which affect the poor. This year, roughly 90 percent—about $23 billion of the $26 billion total cuts—come from these programs.

To detail some of those proposed cuts:

- With the highest U.S. unemployment since the Depression, and headed higher, the public service jobs program is all but wiped out. The Job Corps, our most successful long-term training program, is cut by one-third. The employment service—which helps the jobless find work—is cut again sharply—to half its 1981 level.
- The poor served by Medicaid will have to begin paying a share of their bills. When I say poor, I mean poor. To qualify for Medicaid, a family of four has to earn less than $6,000 in New York, $3,700 in Delaware, and $1,700 in Texas—four people living on $1,700 a year.
- Aid to families with children is cut by 30 percent, on top of a 1982 cut of half that amount.

One of the proposals to cut costs in this program is astounding—rounding the cents on each check to the next lowest whole dollar. The budget proposes the same "rounding down" for unemployment checks.

- Food stamps for the elderly and disabled families will be cut an average of 25 percent. Child nutrition programs will get a 15 percent cut. Already because of 1982 cuts, an estimated one million fewer needy children now get a school lunch.
- As for legal aid to the poor—all funds are eliminated.

Hand-in-hand with these deep cuts—and just as disturbing—is the "new federalism."

The social programs proposed for return to states will bring huge new costs with them. The states will also start cutting programs.

BESIDES THE budget cuts and "new federalism," there is a third area that concerns me—the hasty retreat from government regulation.

Highway safety, job safety and health environmental quality, and consumer protections are being severely weakened—far more than justified by the need for greater efficiency.

Since the mine safety budget was cut sharply last year, deaths in the mines are already higher than any year since 1976.

A special concern is the retreat from civil rights enforcement. The equal employment agency and Labor Dept. have exempted so many employers that the heat's off for affirmative action—companies can go back to business as usual.

Also, the Administration recently—and shamefully—reversed a long-standing denial of tax exemptions to segregationist private schools.

THERE IS a crying need in our country for improved productivity—for new investments—for greater incentives to take risks—and for economies that pay long-term dividends.

Yet the program begun last year has chosen short-term economies that either shift large costs elsewhere or ignore needed long-term investments.

An Illinois congressman told of what happened when federal CETA job program funds stopped for one employee of a small day-care center:

"When that CETA employee was cut off, the center couldn't function. It folded.

"The result: The former CETA employee is now drawing unemployment compensation; the four women who were full-time employees of the day-care center are drawing unemployment compensation; four of the women who were able to work because they had a place to leave their children have had to quit jobs and go on welfare."

THE BIGGEST weakness of the Reagan Revolution is that it is just plain unfair.

Deficits are soaring because of internal contradictions in the Administration's program—that were obvious from the start. We all knew that, but we went along anyway.

There's no way we could spend $1.5 trillion for defense, cut taxes by three-quarters of a trillion, hold social security steady, balance the budget, go through a deep recession, and have money left over for anything else.

Yet who gets the blame? The poor. Who makes the sacrifices? The poor. And who has less to do with this mess than anyone else? The poor.

Contradictory Stands

White House Undercuts Drive To Extend Voting Rights Law

CONTINUATION of a strong federal voting rights law and wider opportunities for qualified voters to register are critical to assuring all Americans the guarantees of the Constitution, AFL-CIO Civil Rights Director William E. Pollard said on Labor News Conference.

Achieving that goal is made doubly difficult, Pollard said, by the policies and practices of the Reagan Administration and conservatives who hold key leadership positions in the Senate. The President's actions in civil rights areas often contradict his public positions, stemming from the positions taken by White House advisers, he observed on the network radio interview.

Pollard pointed out that while the President was saying that he would "enforce voting rights at the point of a bayonet, if necessary," his Attorney General was on Capitol Hill urging Congress to weaken proposals to extend the Voting Rights Act beyond its August expiration date.

Noting that the Voting Rights Act has been in effect only 17 years and provides less than "a complete remedy," Pollard said it is not enough to offset "a hundred years of discrimination and denial of blacks, in particular, the right to vote." He pointed out that blacks hold only 18 of the 535 House and Senate seats, a ratio far out of line with the "eligible black voter population in a number of congressional districts."

WHILE BLACKS have been elected to many more state and local offices since adoption of the 1965 law, they still hold "less than 1 percent of the total elected public offices in the United States —and that is not enough," he stressed.

Pollard said the AFL-CIO will work closely with the major civil rights organizations and other public interest groups as they focus on "expanded voter registration and increased black voter participation as a number one priority, beginning in 1982."

That, he declared, will be "a major weapon in changing the attitudes of this Administration."

By Press Associates, Inc.

"THERE ARE THOSE who will always require help from the rest of us on a permanent basis and we'll provide that help. To those with temporary need, we should have programs that are aimed at making them self-sufficient as soon as possible."

President Reagan, in that speech before the Conservative Political Action Conference, was trying to defend himself against "sob sister attempts" to portray his new budget cuts "as a hard-hearted attack on the poor people of America."

The famous "safety net" by now is badly shredded. There are those in the Administration who believe the latest phrases in use by the White House—the "totally dependent" or the "permanent" needy—apply only to the helpless elderly and the truly disabled who cannot work.

DESPITE THE President's expressed concern about helping people help themselves up the ladder, the fact is his budget cuts are driving the working poor into poverty and the very poor into permanent poverty.

When the Administration was in hot pursuit of its balanced budget goal last year, it won $25 billion in social program cuts from Congress. Now it is seeking billions more in cuts to deal with runaway deficits.

In analyzing the effects of last year's budget cuts and Reagan's proposed new cuts, the University of Chicago Center for the Study of Social Policy found that the heaviest burden falls on the "working poor" — those families with a part-time or full-time wage earner whose incomes are still below the subsistence level.

It is ironic, wrote Tom Joe, the center's director, that a program claimed by the Administration to help the poor work their way out of need rather than remaining dependent on government does just the opposite.

THE CENTER'S analysis found that Reagan new budget cut proposals would force some 14 million of the neediest individuals—those with no income other than public aid—deeper into poverty. This group includes children, the disabled, the elderly and mothers unable to work.

But the brunt of the cuts now in effect and those proposed for fiscal 1983 would fall on low-income families trying to work their way out of poverty.

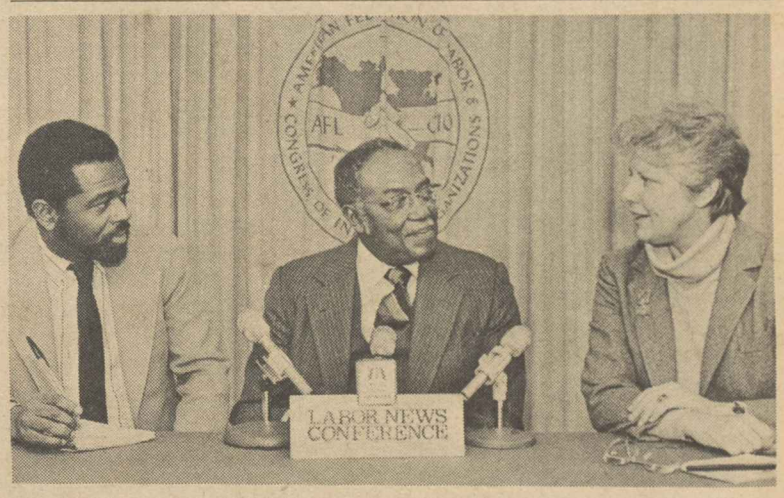
The center points out that, according to the 1980 census, half the 6 million families in poverty worked at least part of the year. About 16 percent of those receiving Aid to Families with Dependent Children (AFDC) or 600,000 individuals, and 20 percent of those getting food stamps, or 4.4 million persons, work at any given time.

Of the 2.9 million female-headed families in poverty, 1.1 million worked in 1980. What's more, the number of poverty families working rose by 19 percent to 3.1 million between 1978 and 1980.

ON A NATIONAL average, the income of an AFDC working mother and two children would fall from $595 a month at the poverty line to $432 a month, or 73 percent of the poverty line, just from cuts in AFDC and food stamps.

The Reagan proposals have the effect "of locking low-income workers into poverty by making it more profitable for the majority of families to remain unemployed," the center said.

The nation's collection of social welfare programs is inadequate, yet it has been reasonably responsive, the center noted. Now the Administration is changing an unsatisfactory system into one that is less flexible and "more likely to permanently entrap low income families in poverty." Instead of breaking the cycle of dependence from generation to generation—a bipartisan goal—the new Reagan proposals may actually promote it, the center concluded.



STRONG PROTECTIONS for the right to vote and wider opportunities for qualified voters to register are the key to assuring all Americans the guarantees of the Constitution, AFL-CIO Civil Rights Director Williiam E. Pollard, center, declared on Labor News Conference. He was questioned by Peggy Simpson of the Boston Herald-American and Marc Gibson of the Sheridan Broadcasting Network. The AFL-CIO-produced public affairs program is aired weekly over Mutual radio network.

Jobless Rate Approaches Postwar High

(Continued from Page 1)

er conditions as two-thirds of the nation experienced one of the harshest Januarys on record. BLS regarded the February data, with the rate back at 8.8 percent, as a kind of "correction" of the January figures.

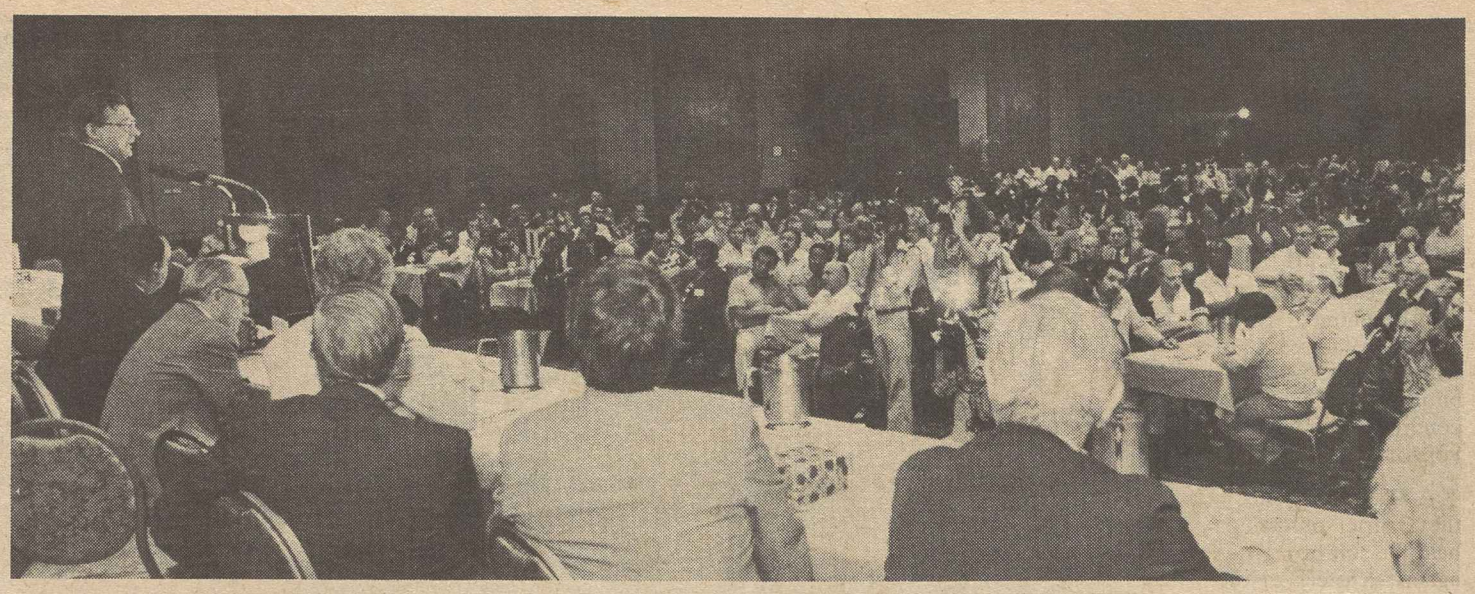
Every general category of workers posted an increase in unemployment in February. The jobless rate for adult men, the most closely watched figure, edged up from 7.5 to 7.6 percent over the month. The rate for full-time workers went from 8.4 to 8.5 percent.

HISPANICS AND teenagers both showed increases of six-tenths of 1 percent. The rate for teenagers rose to 22.3 percent and for Hispanics to 12.6 percent. There were also increases in joblessness among white collar workers.

Black workers continued to face the greatest problems in the job market. Comprising 10 percent of the labor force, they constituted 20 percent of the unemployed last month. Since July, the black jobless rate has risen from 14.9 to 17.3 percent. Over the same period, the jobless rate for whites has gone up from 6.3 to 7.7 percent. The rate for black teenagers rose to 42.3 percent from 41.2 percent in January.

Other signs of the long-term effects of the recession:

- Workers who have been unemployed for three months or more increased by about 325,000 to 2.7 million in February.
- The percentage of Americans holding jobs slipped to 57.3 percent last month, the lowest level in four and a half years.
- The number of persons working part time for economic reasons—sometimes referred to as the "partially unemployed"—rose by nearly a half-million in February to a record 5.6 million.



CURRENT ECONOMIC CONDITIONS have borne out labor's warnings of a year ago that the Reagan budget for fiscal 1982 was unworkable, AFL-CIO President Lane Kirkland told the Longshoremen's special convention. He cited the nation's deepening recession, mounting unemployment, increasing bankruptcies and spreading poverty.

Unions Growing In Public Sector, Census Reveals

Nearly half the nation's 10.3 million full-time state and local government workers belonged to unions or associations that function as unions in 1980, the Census Bureau reported.

The bureau's annual survey showed that union membership in the public sector workforce increased to 5,030,564 from 4,881,246 in 1979. On a percentage basis, 48.8 percent of the sector's full-time workers held union cards in October 1980, compared with 47.9 percent a year earlier.

THE LARGEST concentration of organized employees was at the local government level—municipal, county and township—which accounted for 51.9 percent of the total. Union membership at the state level was 40.5 percent.

Fire fighters were the most highly organized group of public sector workers, with 70.6 percent holding union cards, followed by teachers, 64.9 percent; police, 52.7 percent; highway workers, 45 percent; welfare employees, 41.8 percent; sanitation workers, 40.2 percent; hospital workers, 40 percent, and non-teaching school employees, 38.1 percent.

Teachers, however, represented the largest block of organized public employees with 2,031,218 holding union cards in October 1980. They accounted for 40 percent of all organized workers in the sector.

During the 12-month period ended October 1980, there were 34,751 labor-management agreements in effect, including 12,157 new settlements and 12,157 renegotiated agreements.

There were 502 work stoppages during the 12-month period, with 480 coming at the local government level. School employees were involved in 252 walkouts, municipal workers in 125, county employees in 63 and township workers in 17.

Back Pay Won For 600 in IUE Sex Bias Suit

Trenton, N.J.—The Electrical, Radio & Machine Workers have successfully settled a sex discrimination suit against Westinghouse Electric Corp. that will mean promotions and back pay for some 600 present and former workers at the company's lamp-making plant here.

The case, which had been reviewed by the Supreme Court, was considered a key test of the issue of equal pay for work of comparable value.

The class action suit brought by the IUE and its Local 449 charged Westinghouse with paying women lower wages than male workers for doing jobs which, though different, required equal skills.

IN 1981, the Supreme Court upheld IUE's contention that the practice was a violation of the 1964 Civil Rights Act. The high court sent the case back to the U.S. District Court here for action. The court approved the settlement terms Feb. 26.

Under the settlement, the jobs of some 85 current workers will be upgraded, and they'll get hourly raises of 7.5, 10.5 or 22 cents, depending on the grade level. The company will also set aside a $75,000 backpay fund to be divided among former employees covered by the suit. Amounts paid will be based on hours worked.

Most of the workers in the jobs being upgraded are held by women, but men in these positions will also benefit, IUE said.

Parts of the case had been settled in 1980 when Westinghouse, in another court-approved settlement, provided back pay and promotion opportunities to 49 women workers in settlement of specific sex discrimination charges.

Longshore Delegates Adopt New Political Action Program

Hollywood, Fla.—A special convention of the Longshoremen launched a new political action program to stem the tide of government incursions in its affairs that have left the union and the longshoring industry weakened.

"Government interference has been a major cause of disputes and confrontations in the industry," ILA President Thomas W. Gleason told the 400 delegates assembled for the convention. "The longshore industry is becoming the subject of ever-increasing regulation by federal, state, municipal, and bi-state agencies.

"ANTI-LABOR attitudes on the part of powerful government officials as well as the introduction of anti-labor bills in Congress have introduced an added burden at a time when the country's and the industry's competitive positions are under stress. What is really necessary to maintain the gains made until now, and industry progress in the future, is understanding and cooperation, not obstacles."

Delegates voted unanimously to establish a political education committee to be known as ILA-COPE, which will campaign in behalf of candidates for political and party office, and legislative, executive and judicial positions that are supportive of ILA goals.

The political education program will be funded through voluntary payroll checkoff of contributions.

At the same time, the special convention approved a constitutional amendment to reduce per capita payments by 10 percent. All members will benefit from the per capita decrease whether they agree to the checkoff or not. The plan will take effect on July 1.

GLEASON LAUDED the action, citing particularly the need to combat congressional attacks against the 1972 amendments to the Longshoremen's & Harbor Workers Compensation Act, which conferred long overdue coverages and benefits on dockworkers.

"Instead of promoting safety to prevent accidents and their aftermath, attempts are under way to disembowel the act," he charged.

Delegates also voted to fill six major union offices which have been vacant, and heard from a number of speakers, including AFL-CIO President Lane Kirkland, who lashed out at the Reagan Administration's handling of the economy and its failure to take a stronger stand against the Polish and Soviet governments for repressing Poland's Solidarity free trade union movement.

"A year ago, we warned that the President's budget was unworkable," Kirkland recalled. "We said it would lead to a deep recession, massive unemployment, business bankruptcies, and increasing poverty.

"OUR ECONOMIC predictions have been borne out, while the President's economists have been hemming and hawing—when they haven't been cooking the books."

Other speakers were Rep. Mario Biaggi (D-N.Y.), Rep. Claude Pepper (D-Fla.), President Daniel J. Miller of the Florida State AFL-CIO, President James J. Dickman and Atty. Peter Lambos of the New York Shipping Association, and Executive Vice President David J. Tolan of Sea-Land Industries.

Elected to fill union vacancies were Joseph Kenny, Benny Holland, Jr., Al Cernadas, and Frank Lonardo as vice presidents, Donald Carson as general organizer, and Alexander Talmadge, assistant general organizer.

NLRB Upheld on Union Rights of Aliens

Chicago—The U.S. Court of Appeals for the Seventh Circuit upheld a National Labor Relations Board decision that a Chicago firm that turned in several of its workers as illegal aliens after losing a representation election constructively discharged them and violated federal labor law.

"There seems nothing like a successful union election to concentrate an employer's mind on the color of its workers' visas (if they exist) and on its moral obligations to expel its (once faithful) employees from the country," Judge Richard D. Cudahy observed.

IN ORDERING enforcement of the NLRB's reinstatement and backpay order for the five workers involved, the court held that the remedy does not flout the immigration laws. The workers were allowed to return to their native Mexico voluntarily rather than be deported by the Immigration & Naturalization Service, and the court directed that the reinstatement remain open for four years to allow them time to re-enter the United States legally. It approved a minimum of six months' back pay liability.

The court acknowledged that the workers might be tempted to re-enter the country unlawfully to claim reinstatement and back pay, but added that, "as a practical matter, we believe it unlikely that a discriminatee would attempt to illegally enter the United States primarily to pursue his remedies and thus draw attention to his illegal alien status."

The case dates back to 1976 when Chicago Leather Workers Local 431 won an election among 11 employees, including the Mexican illegal aliens, at Sure-Tan, Inc., and Surak Leather Co. The two companies are considered to be a single integrated employer owned and operated by Steve and John Surak.

THE NLRB found that John Surak violated the National Labor Relations Act by interrogating and threatening employees whom he suspected of favoring the union. After the election, Surak determined that the workers did not have proper immigration papers, and after the union was certified as bargaining agent he notified the INS of the workers' immigration status.

The appeals court rejected the employer's argument that it did not constructively discharge the workers because it was under a legal obligation to report illegal aliens to the INS. The employer's notification to the INS was the reason the workers returned to Mexico, the court pointed out.

The evidence supports the NLRB's conclusion that Surak was aware that his employees were illegal aliens, the court held, rejecting Surak's claim that he was merely performing a civic duty in reporting suspected violators to the INS.

AN EMPLOYER is not required by law to report illegal aliens to the INS, Judge Cudahy ruled, and "has no right to rely on a 'moral obligation' to report illegal aliens merely to sanctify an otherwise unjustifiable violation" of federal labor law.

The court also rejected Sure-Tan's argument that under the circumstances of the case an award of reinstatement and back pay cannot be reconciled with the laws and policies governing both immigration and labor relations.

Because these workers were not deported, it remains possible for them to return lawfully to the United States to accept reinstatement, the court pointed out.

Supreme Court Bars Tampering with Contracts

The Supreme Court ruled unanimously that federal courts may not tamper with the collective bargaining process by rewriting contracts, a position that had been urged by the AFL-CIO.

The case that reached the Supreme Court stemmed from a lawsuit that challenged as "unreasonable" a section of the United Mine Workers contract with the bituminous coal producers dealing with continuation of health benefits for survivors of UMW members.

A DIVIDED U.S. Court of Appeals for the District of Columbia Circuit had upheld the suit brought by a group of widows against trustees of the health and welfare plan. The suit sought to overturn a contract provision that gave lifetime health benefits to the widows of retired miners but only limited continuation of benefits for widows of members who died before retirement.

Although the UMW is not an affiliate, the AFL-CIO filed a brief with the Supreme Court because it viewed the appellate court decision as an infringement on collective bargaining.

The unanimous Supreme Court decision, written by Justice John Paul Stevens, noted that the disputed contract provision stemmed from give-and-take collective bargaining and did not conflict with Taft-Hartley Act obligations for administering trust funds for the benefit of employees.

THE SUPREME COURT conclusion, along lines that had been urged by the AFL-CIO, was: "When neither the collective bargaining process nor its end product violates any command of Congress, a federal court has no authority to modify the substantive terms of a collective bargaining contract."

Two appellate court decisions generally favorable to the union position became final as the Supreme Court refused to review them.

One ruling allows the Labor Dept. to obtain information about the financing and real sponsorship of so-called employee committees set up to resist union organization.

THE INVESTIGATION, initiated under the Carter Administration, sought to determine whether two such committees at J. P. Stevens should be required to register and submit reports of "persuader activity" under the Labor-Management Reporting & Disclosure Act.

The Labor Dept. had sought membership and financial contribution data from the J. P. Stevens Employee Education Committee and a group called Stevens People and Friends for Freedom.

The 4th Circuit U.S. Court of Appeals held the Labor Dept. had the right to such information about anyone involved in the committees who was not a nonsupervisory employee of the company. That decision is now binding.

IN ANOTHER case, involving continuation of disability benefits during a strike, the decision of the 3rd Circuit Court of Appeals became final.

That case involves a strike by a Pittsburgh local of the Auto Workers in late 1977 against the E. L. Wiegand Division of Emerson Electric Co.

When the strike began, the company discontinued sickness and accident benefits to workers then disabled, as well as stopping payments of premiums for future health protections.

An NLRB law judge held that the company was obligated to continue benefits to those already receiving them, and that is the position the federal appellate court upheld. The NLRB, in a split decision, had taken the position that the company didn't have to continue benefits to disabled workers who had expressed their support for the strike but was obligated to continue benefits to any disabled employees who had not done so.

THE APPELLATE court saw no reason for such distinction, holding that disability payments are "accrued benefits" for past work and are payable within the period of the strike to disabled employees.

The Supreme Court also let stand a 7th Circuit decision on labor protection provisions for employees of the bankrupt Milwaukee Railroad that had been challenged by the Railway Labor Executives' Association.

The appellate court, over union objections, had allowed the bankruptcy trustee of the railroad to modify and defer labor protection provisions enacted by Congress as part of the Milwaukee Railroad Reorganization Act.

Pinochet Regime Denounced For Attack on Chile's Unions

The AFL-CIO joined the Chilean labor movement in a new denunciation of the repressive economic and social policies of the Pinochet regime and pledged its continuing support of Chilean workers represented by free trade unions.

In a joint statement following a meeting in Washington between Federation President Lane Kirkland and President Eduardo Rios of the Democratic Confederation of Workers (UDT) of Chile, the two called international attention to the latest and most vicious effort of the Pinochet regime to intimidate and throttle union activity in that South American country.

Days after calling for trade union unity, UDT leader Tucapel Jimenez—active alongside Rios and president of the National Federation of Government Employees—was murdered and left lying along the roadside next to the taxi he drove to supplement his living. His throat was cut to near decapitation and he was shot twice in the head.

RIOS IS ALSO president of the Confederation of Maritime Workers of Chile, recently closed down by the regime for its outspoken opposition to its rule.

While in Washington, Rios scheduled meetings with the Human Rights Commission of the Organization of American States, the International Labor Organization, and government representatives to bring them up to date on the "disastrous" situation in his country.

Earlier, Kirkland told a group of Latin American union leaders graduating from a leadership training course of the American Institute for Free Labor Development that extremists of both the left and right are threats to free trade unionism in the Western Hemisphere because they seek "to debase trade unionism by linking it to the question of who owns the means of production."

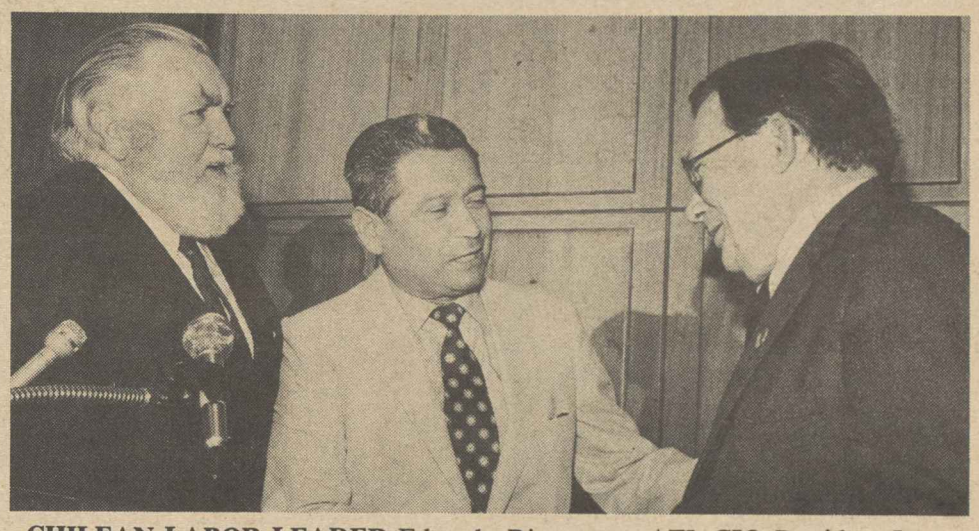
TRADE UNIONISTS do not care whether the boss is a capitalist or a commissar nor about other "esoteric theories of social organization," Kirkland said. Instead, it is the union's role to humanize the workplace and the system of government, regardless of its origin, he said.

"We insist only that the workers of any country have the right to choose and run the affairs of their own unions without interference from the state or the employer," Kirkland declared. "The refusal to grant that right—as in Poland today—tells us all we need to know about the character of a government and its attitude toward human rights."

The Latin American unionists comprised the 100th graduating class of AIFLD, the AFL-CIO's foreign affairs arm that works to develop free trade unions in Latin America and the Caribbean. Kirkland noted that many of the graduates were returning to difficult and dangerous jobs as the tide of violence in recent months has been rising in Central America.

"WE CANNOT advise you how to do your job under conditions which most of us do not have to face," he said. "But we do want you to know, and hope that you have learned here, that we share common ideals and hopes, which bind us in fraternal solidarity.

"Your struggle is our struggle. There are no national boundaries in the cause of free trade unionism."



CHILEAN LABOR LEADER Eduardo Rios greets AFL-CIO President Lane Kirkland at ceremonies for recent graduates of the American Institute for Free Labor Development. Rios, who is president of a Chilean maritime union as well as head of the Democratic Confederation of Workers in Chile, joined Kirkland in a statement denouncing the repressive economic and social policies of the Pinochet regime and its attempts to stifle free trade unionism in Chile. AIFLD Executive Director William C. Doherty, Jr., is at left.

Credit Pressure, Sanctions Urged Against Soviets

(Continued from Page 1)

trade union rights are among many examples.

Only when it serves the self-interest of these countries are treaty commitments observed, Kirkland stressed.

"We must have a way of affecting that interest, short of military. If we aren't prepared to do that economically," he said, military power becomes the "only other recourse." And "I guarantee you, I much prefer an economic means."

THE WESTERN nations have extended some $80 billion in credits to the Soviet bloc, Kirkland noted. And these easy credits have shored up the economies of the eastern nations, freeing their governments to build up military machines.

Ironically, he noted, western economic aid enables countries hostile to the United States to avoid the "hard choice" between building up military strength and meeting the needs of the people.

In the face of this, Kirkland suggested, the business-as-usual elements in America who would give "cheap and easy credit to the Soviet bloc to acquire more tanks and missiles" amount to "an economic fifth column . . . serving the interests of our enemies."

KIRKLAND reiterated the desirability of continuing to seek agreements and treaties with the Soviet bloc that point toward a reduction of armaments and world peace. "No sane man would prefer continued arms buildup on both sides" if there were "a feasible alternative," he said.

But the agreements reached can be relied on only if violations will bring penalties strong enough to act as a deterrent, Kirkland insisted.

ILO Calls on Poland to Free Imprisoned Trade Unionists

(Continued from Page 1)

breaking down fictitious notions on ownership and how to run an economy."

DESPITE THE Soviet rhetoric, the recommendation of the Governing Body's Freedom of Association Committee was passed by consensus and without objections. The measure is not binding upon the Polish government, which cannot be forced to accept it.

The resolution calls on the ILO—a specialized agency of the United Nations—to send a fact-finding mission to Poland "entrusted with collecting information on all aspects, both legal and factual, of the present case, which would make it possible to establish the facts and facilitate a constructive development of the situation," and calls on Poland to accept such a mission.

Poland, which is not represented on the ILO Governing Body, attempted to address the meeting to advance its side of the case but was ruled out of order by Chairman Gabriel Ventejol of France. The Polish argument was, however, put forth by Cuba, Outer Mongolia, Bulgaria, East Germany, and Hungary as well as the USSR.

"SOLIDARITY IS a criminal organization," Soviet delegate Leonid Kostine charged. "We are not here to support opposition organizations in member states, which have tried to overthrow the elected government of the country. Solidarity took the road of confrontation, right up to the door of civil war."

Searby and Brown rejected Kostine's charges. They pointed out that the Polish people had supported Solidarity in an overwhelming movement to achieve dignity for Polish workers. Searby called on the Polish government to let the ILO mission enter the country "so they (the communists) can show us all these so-called armed divisions that the Polish workers are supposed to be hiding somewhere."

THE FREEDOM OF Association Committee expressed the hope that "the trade union organizations existing in Poland, which were legally recognized by the authorities, may resume their activities as quickly as possible on the basis of trade union legislation consistent with (ILO) Convention numbers 87 and 98, which have been ratified by Poland." The conventions guarantee the right to form trade unions independent of the government.

Continued detention of the Solidarity leaders is "a serious interference with civil liberties and trade union rights," the panel charged.

Neither the United States nor the Soviet Union is represented on the Freedom of Association Committee. Member nations are India, France, Venezuela, Australia, Belgium, Mexico, Ghana, Austria.

CORRECTION

A story on railroad retirement benefits in the Mar. 6 issue of the AFL-CIO News mistakenly reported that Tier II benefits are paid under a program financed entirely by the carriers. As of Oct. 1, 1981, workers covered by the plan have been paying 2 percent of earnings up to $1,850 a month into the Tier II fund. At the same time, the employer contribution was raised from 9.5 to 11.95 percent.

65 Percent of Men's Pay

No Matter What the Job, Women's Earnings Lag

(Continued from Page 1)

the men's median wage of $347 a week.

The greatest disparity was found in the overall sales classification where 33 percent of the workforce is female, but men earn a median weekly paycheck of $366 compared to $190 a week for women, only about 52 percent of the men's wage.

In the retail sales category, about 79 percent of the workers surveyed were women. They earned a median wage of $220 a week against $328 for men. Women's earnings here were only 67 percent of men's.

ONLY IN the category of postal clerks did BLS find nearly comparable earnings. Men's median weekly wages in 1981 were $407 and women's $382 or about 94 percent of the men's wage. In this category, 33 percent of the workers covered by the data were women.

Even in job classes where female workers are in the majority, the BLS study found substantial differences between men's and women's pay. Only in a few categories were the differences less acute.

Women accounted for about 68 percent of the elementary and secondary school teachers, and their median weekly wage of $311 was about 83 percent of the men's median wage of $379.

SOME 91 PERCENT of the registered nurses, dieticians, and therapists in the study were female, and women in this classification made $326 compared to men's wages of $344, about 95 percent of the men's wages for the same work.

Other workers in health service categories, such as nurses' aides, orderlies and practical nurses, posted median weekly earnings for men of $216 compared to women's pay of $185 or about 85 percent of the men's wage. In this category, over 87 percent of the workers were women, the BLS data said.

Service industry workers overall, with a 50.5 percent female workforce, had a median wage of $238 a week for men against $170 for women, or about 71 percent of the men's pay.

In the overall data for manufacturing, men's median weekly wages were $298 in 1981 compared to $187 for women, BLS found. Although some 39 percent of this workforce was made up of women in 1981, they earned only about 63 percent of men's wages for performing the same jobs.

IN FACTORY assembly jobs, 53 percent of the workers surveyed were women, and the BLS data show they made only 69 percent of men's earnings in this category, a median weekly wage of $205 compared to $297 for men.

Only about 28 percent of the managers and administrators covered by the survey were women, the BLS reported. Their median earnings were 61 percent of those for men, $283 compared to $466.

In crafts and related skilled jobs, including many building trades, the BLS survey found less than 6 percent female employment in 1981. Women who did hold those jobs earned only 66 percent of men's wages, a median of $239 a week against $360 for men.

LESS THAN 5 percent of the engineers covered by the study were female, and those women made only 67 percent of wages for men in the same jobs.

In lists of the 20 top occupations for men and for women, male earnings were highest for aerospace engineers, at a median $619 a week, and female earnings were greatest, at $422 a week, for operations and systems researchers. But even that wage ranked below the lowest of the jobs on the men's top 20 list, and it ranked only seventeenth on the men's list. Even then, men made $515 a week for similar jobs.

Elementary and secondary school administrators appeared on both top 20 lists for men and women, ranking tenth in highest pay for women and sixteenth for men. Although 33 percent of the administrators in the study were women, they earned a median $363 a week, or about 70 percent of the $520 median for school administrators, BLS said.

OTHER HIGH-PAYING jobs held by men included stock and bond sales agents at a median $589 weekly; chemical engineers at $583; economists at $580, and lawyers at $574.

For women, other high-paying categories were computer systems analysts at a weekly median of $420 with men in the same jobs making $546, lawyers at $407 with men making $574; physicans at $401 with male doctors making $555, and social scientists at $391 in jobs where men are paid $522.

SOAP OPERA STARS urge public support in the drive for ratification of the Equal Rights Amendment at a press conference in New York called by the Radio & Television Artists. AFTRA ERA Task Force Chair Rita Morley Harvey, at podium, explains that AFTRA members who star in the 10 daytime dramas produced in New York will lobby for ratification of ERA in cities throughout the East, South and Midwest as part of the countdown campaign between now and June 30. Three more states must approve ERA by that deadline for it to become part of the Constitution.

Senate Pressed to Approve Stronger Voting Rights Bill

Any election law that results in discrimination should be clearly prohibited by federal law, AFL-CIO President Lane Kirkland urged in a statement to a Senate Judiciary subcommittee.

The subcommittee, headed by Sen. Orrin G. Hatch (R-Utah), is considering legislation to extend key provisions of the Voting Rights Act, which Kirkland termed "the most successful of this country's civil rights laws."

LABOR AND CIVIL rights groups support the bill the House passed during the first session of Congress, which includes language to overcome a Supreme Court decision that weakened enforcement of the law. The Reagan Administration opposes any strengthening amendment.

A plurality decision by the Supreme Court held that groups challenging an at-large election procedure for the Mobile, Ala., City Commission had to prove that the election law had been adopted with the "intent" to discriminate.

Kirkland urged the Senate to specify that election procedures resulting in abridgement of voting rights are illegal regardless of intent.

He said the Administration's objections that this would lead to a "quota" system for elective office are fully overcome by a sentence in the labor-supported bill specifying: "The fact that members of a minority group have not been elected in numbers equal to the group's population shall not, in and of itself, constitute a violation of this section."

KIRKLAND ALSO urged retention of a House-passed provision specifying how jurisdictions now required to obtain advance Justice Dept. approval for changes in voting laws may obtain exemption from the pre-clearance requirement.

The proposed new "bail-out" provisions would enable a substantial number of counties to be released from pre-clearance requirements in 1984, but would retain the requirement for those that have not demonstrated their compliance to national policy, he pointed out.

The AFL-CIO statement noted that the Voting Rights Act, first adopted in 1965 and strengthened in 1975, has led to greatly increased participation by blacks and Hispanics in the nation's political life. But "much remains to be done," Kirkland observed, and the new legislation "will provide the means for further accomplishment."

Bill Pollock Dies At 82, Headed Textile Workers

Ocean City, N.J.—William Pollock, president of the Textile Workers Union of America for 12 years and a former vice president of the AFL-CIO, died Mar. 3 after a heart attack.

Pollock, who was 82, retired in 1972, four years before the TWUA merged with the Clothing Workers to form the Clothing & Textile Workers.

He began his trade union career with the United Textile Workers, serving in the early 1930s as a business manager of Local 25 in his native Philadelphia. He later was a representative with the CIO's Textile Workers Organizing Committee and became secretary-treasurer of the TWUA when it was chartered in 1939.

POLLOCK SERVED the TWUA in that post until 1953 when he was elected executive vice president. He became president of the union three years later. Pollock also served on the AFL-CIO Executive Council from 1967 to 1972.

In a message to his family, Federation President Lane Kirkland and Sec.-Treas. Thomas R. Donahue said Pollock's death brings sorrow to thousands of trade unionists, especially those who worked closely with him.

"Throughout his long lifetime, Bill gave the best that was in him to his union and its members, and he was in return loved and trusted by all who knew him," Kirkland and Donahue said.

Survivors include his wife Anna, two sons and five grandchildren. Services were held in Philadelphia Mar. 8.

The family requested that expressions of sympathy be in the form of contributions to the Rieve-Pollock Foundation, c/o ACTWU, 15 Union Square, New York, N.Y. 10003.

Reagan Expected to Veto Standby Oil Allocation Bill

Congress voted to give President Reagan emergency powers to deal with serious oil shortages, but the President is expected to veto the legislation.

Despite a bluntly worded veto warning, the Republican-controlled Senate voted 86-7 for final passage of the bill. But the 246-144 majority in the House was less than the two-thirds that would be needed to override a veto.

THE LEGISLATION is a compromise measure, with bipartisan sponsorship, to replace the Emergency Petroleum Allocation Act, which expired last September.

It would require the President to send to Congress within six months standby petroleum allocation regulations, which could include temporary price controls but could not include rationing or additional taxes.

Before such regulations could be implemented, the President would have to declare that there was a "severe petroleum supply shortage" that threatened the nation's security or economic stability.

THE AFL-CIO, which had urged stronger standby powers, supported the legislation as the minimum needed to deal with major oil shortages. But the Administration was adamant, even though the Senate bill was sponsored by Energy Committee Chairman James A. McClure (R-Ida.) and co-sponsored by the committee's ranking minority member, Sen. Henry M. Jackson (D-Wash.)

After the previous standby legislation had expired, the President sent a personal letter opposing any extension of emergency powers. And before final passage of the bill, members of Congress received a "statement of Administration policy" which served notice that "the Secretary of Energy and the President's senior advisers will recommend that the President veto the measure."

Furniture Pact Won After Boycott Warning

Laurinburg, N.C. — The Furniture Workers hammered out the first labor agreement for 180 employees of the Lee L. Woodard division of Wickes Corp. after more than a year of negotiations. The UFWA has represented the Woodard workers since June 1980.

The two-year contract provides for a 6-percent wage increase retroactive to last October, a wage reopener clause set for next November, union security guarantees, and pension and medical coverage.

UFWA President Carl Scarbrough said the agreement with Woodard is the first union contract ever negotiated in North Carolina's Scotland County. He said the company abandoned its delaying tactics in negotiations after the union announced plans to initiate a boycott against Woodard furniture products.

Correspondence about address corrections should be sent with attached mailing label to: Subscriptions, Room 209, 815 16th Street, N.W., Washington, D.C. 20006.

3/13/82

Regional Conferences Gear Up for '82 Elections

AFL-CIO News

Vol. XXVII Saturday, March 20, 1982 No. 11

By Susan Dunlop

Dearborn, Mich.—The labor movement has an opportunity to help "turn this country around" as American voters take a critical second look at the Reagan Administration's "grossly unfair" policies, AFL-CIO President Lane Kirkland declared here.

Determined political action between now and Nov. 2 can help elect public officials "who share our view of a compassionate society," Kirkland told the nearly 600 participants in the first of seven AFL-CIO regional conferences scheduled this spring to develop grass-roots discussion among leaders and staff.

DELEGATES FROM six states—Indiana, Iowa, Michigan, Minnesota, Ohio and Wisconsin—took part in the first 1982 conference here, Mar. 16-17.

A full day of workshops focused on the major economic and social campaign issues, on effective grass-roots lobbying techniques, and on improving labor's communications with members and the public. Technical workshops got down to the details of political activity and getting out the vote.

At a rally winding up the conference, COPE Director John Perkins stressed that Election Day is "Solidarity Day '82."

He outlined programs and materials the national COPE office is preparing to help spur voter turnout to elect labor-backed candidates.

Kirkland told the delegates there is a growing realization in the nation that "the country is in deep trouble and that the Administration is floundering."

By itself, this disenchantment doesn't mean that labor's arguments for a more compassionate and humane government will prevail, he observed, but it does mean that more people are now listening to the alternative policies that organized labor has been advocating.

The AFL-CIO has met the Reagan Administration's challenge to come up with an alternative economic policy "every day since the first day they asked for one," Kirkland told reporters at a press conference between sessions.

"MANY PEOPLE who thought of themselves as governed by other forces" are learning a lesson in economics, he

(Continued on Page 2)

Labor Spells Out Tax Package

SEVERAL THOUSAND union members and their families march on the Maryland State House in Annapolis with a message for legislators to repudiate Reagan economic and anti-workers policies. The Mar. 13 state Solidarity Day demonstration was spearheaded by the Maryland-District of Columbia AFL-CIO. **(Additional photos on Page 3.)**

Plan Offers Alternative to Reaganomics

By David L. Perlman

A tax package that would reduce budget deficits, provide funds for needed programs and make the tax burden more equitable was put forth at Senate hearings as the AFL-CIO's alternative to Reaganomics.

Legislative Director Ray Denison, joined by Research Director Rudy Oswald, contrasted labor's proposal to the tax legislation the Reagan Administration pushed through Congress last year. That measure "showered huge tax cuts on the wealthy, rewarded well-to-do companies and gave a relative pittance to the rest of America," he testified.

LABOR'S PROPOSAL would put a $700 a year ceiling on the tax cut that any individual could receive. In practice, Denison said, it would result in the full scheduled tax reduction for taxpayers earning up to $40,000 a year and a flat $700 reduction for those with higher incomes.

Along with other tax changes urged by the AFL-CIO, he said, the plan would avoid the further program cuts the Administration has proposed "as well as providing funds for programs to put jobless Americans to work."

The Senate Finance Committee is holding hearings on the Administration's budget proposals for an assortment of user taxes and other revenue raisers. The President has strongly opposed tampering with the "supply-side" tax cuts enacted last year which were supposed to stimulate private investment.

DENISON dismissed the Administration's new tax proposals as "a melange of

(Continued on Page 8)

41 States Suffer Steady Increase In Jobless Rates

Joblessness increased in 41 states and the District of Columbia during Ronald Reagan's first year in office as the nation plunged into its eighth post-World War II recession, the Bureau of Labor Statistics reported.

Comparing state-by-state unemployment levels in January with jobless rates a year earlier, BLS also reported that in 19 of the 41 states the rate of unemployment exceeded 10 percent. This compared with 10 states in December 1981 and only six a year earlier.

TWELVE STATES reported over-the-year increases in their jobless rates of 2 percent or more in January, while no state reported a decline as large as 1 percent.

State and local area unemployment data are not adjusted for seasonal variation. Without seasonal adjustment, BLS said, the national jobless rate rose to 9.4 percent in January. Applying seasonal adjustments the rate was 8.5 percent in January and 8.8 percent in February.

Six of the 12 states with the largest jobless rate increases—2 percent or more over the year—were in the South—Alabama, Arkansas, Kentucky, Mississippi, Tennessee, and South Carolina. The others included three north central states, Indiana, Iowa, and Michigan; and two western states, Idaho and Washington, and one in the Northeast, Pennsylvania.

Employment declines in these 12 states were widespread throughout the manufac-

(Continued on Page 2)

Housing Coalition Calls Federal Role Essential

By James M. Shevis

A "Save-Housing" coalition of national organizations, including the AFL-CIO, called on Congress and the Administration to "get down to basics" and keep the federal government in the housing field to help the needy.

"Shelter is basic. It is a basic human need that cannot long be ignored if life and community are to be sustained," the coalition said in a statement at a news briefing announcing its formation.

"IT PROVIDES productive employment for millions of workers directly—and an even greater number in allied materials, equipment, and furnishings manufacturing. We believe that housing needs should not be ignored, and that building capacity should not be wasted."

The two dozen coalition members said they were deeply concerned by President Reagan's plan to terminate existing federal subsidy commitments for housing, rescind already appropriated housing funds, raise rents for low-income housing, curtail homeownership loans, cut back on public housing and rental assistance, and eliminate housing production and rehabilitation programs.

"Such proposals would adversely affect the elderly and the handicapped, the rural poor and lower-income urban families—groups that have already taken more than their share of budget cuts," the coalition warned. "We believe that this nation needs and can support housing programs that will provide adequate levels of production and assistance.

"We call upon the Congress and the Administration to preserve this nation's commitment to the goal of decent, affordable housing for all Americans."

Announcement of the new coalition followed the conclusion of the National Housing Conference's 51st annual convention in Washington. The NHC comprises groups and individuals in the construction industry, building trades unions, government officials, and others.

(Continued on Page 7)

OSHA Accused of Putting Profits Before Job Safety

The AFL-CIO accused the Reagan Administration of putting corporate profits ahead of worker safety and reneging on a national commitment to safe and healthy workplaces.

Regulatory review procedures installed with the change of administration have been used to sidetrack new worker safeguards and to weaken existing protections, AFL-CIO Safety Director George H. R. Taylor testified at House hearings.

TAYLOR ALSO reduced enforcement of the Occupational Safety & Health Act. He pointed to a 21-percent decline in workplace inspections and a 72-percent drop in follow-up inspections since the Reagan Administration took office, along with a 75-percent decline in citations for "willful violations" of the law and a 48-percent decline in proposed penalties for violators.

"Since taking office, this Administration has not initiated a single new proceeding that would improve worker safety and health," Taylor testified. Instead, he charged, the Office of Management & Budget (OMB) and the Labor Dept. "are cooperating in a process of delay and destruction of the protections in force" prior to the change in administration.

"These two agencies act as if their mission is to enforce the Corporate Short-Term Profits Act rather than OSHA," Tay-

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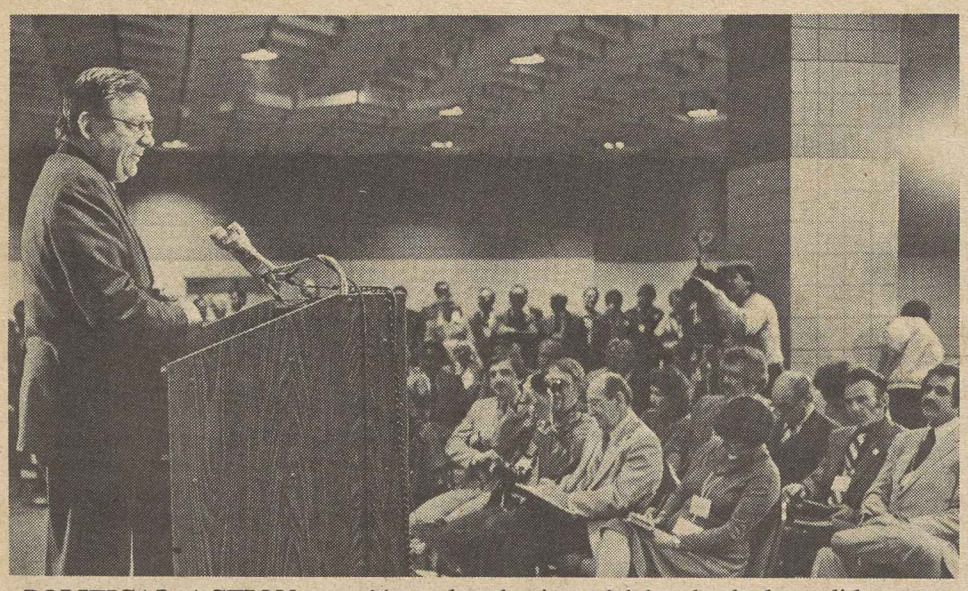


POLITICAL ACTION to achieve the election of labor-backed candidates on Nov. 2 is the central theme of the seven 1982 AFL-CIO regional conferences, Federation President Lane Kirkland tells reporters during the first meeting Mar. 16-17 in Dearborn, Mich. Some 600 delegates from six midwestern states took part in the two days of workshops and a wind-up rally.

To 'Turn This Country Around'

Regional Conferences Gear Up for Elections

(Continued from Page 1)

said, citing as an example the small businessman "who is finding that his fate is linked to that of working people."

While the AFL-CIO continues to build support for its alternative proposals, it was evident in the last session of Congress that "we didn't have enough votes, and that is why we have to engage in political action," Kirkland said.

Sec.-Treas. Thomas R. Donahue told the wind-up rally that in the year since the first regional conferences were held—"in the worst of times"—organized labor has been a lonely voice against the "four-headed monster" of tight money, unfair tax cuts, harmful budget cuts and a "primitive" approach to federal regulations.

SOLIDARITY DAY 1981 confirmed that the labor movement does indeed represent the interests of its members, Donahue declared. He said the increasing support of other Americans for labor's protests against the Reagan Administration's policies reflects a growing recognition that "we were right and the President was wrong."

Donahue pointed out that one of the goals of the regional conferences is to cement the labor movement's solidarity and develop political action that will bring about change—"not in our message, but in the people who receive the message."

Sen. Donald W. Riegle, Jr. (D-Mich.) told the rally he "resented" President Reagan's swing through Sunbelt states to urge support for his economic policies, and he challenged the President "to come to Michigan to try to sell the message of how well his policies are working in the state with the highest unemployment in the nation."

DELEGATES to the conference took part in 54 workshop sessions geared to improving political action within their state and local central bodies and local unions. The sessions were conducted by AFL-CIO department heads and staff.

Workshops on economic issues centered on the AFL-CIO's alternative tax and budget programs, contrasting their potential benefits to the nation with the impact of the Reagan Administration's one-sided policies.

Other sessions dealt with lobbying on issues critical to labor, with special emphasis on successful grass roots networks, like the 11-state pilot program introduced in 1981, that are vital in building congressional support for labor's positions.

THE AFL-CIO'S communications program, including the new Labor Institute for Public Affairs, was outlined in a workshop on effective press relations and coverage of labor's activities by the electronic and print media.

Conference participants from congressional districts designated as marginal by COPE met in workshops to discuss ways to tip the balance in favor of labor-supported candidates in their districts and to counter strong challenges from anti-labor candidates.

Other workshop topics included reporting requirements on contributions to candidates in federal elections, the use of telephone banks throughout campaigns, techniques for screening and interviewing candidates before endorsements, relations with local political party organizations, and the formation of coalitions.

SPECIAL WORKSHOPS gave delegates the chance to discuss specific legal questions, data-processing problems, and the current political outlook in their respective states in detail.

Conferences will also be held Mar. 19-20 in Louisville, Ky.; Mar. 30-31 in Phoenix, Ariz.; Apr. 2-3 in Seattle, May 4-5 in Birmingham, Ala.; May 7-8 in Houston, and May 21-22 in Hartford, Conn.

Florida Steel Legal Battle Gains $1.3 Million Back Pay

Florida Steel Corp. has begun issuing checks totalling $1.3 million to 637 workers at its Indiantown, Fla., steel mill in partial settlement of an eight-year legal battle with the Steelworkers and the AFL-CIO Industrial Union Dept.

IUD Sec.-Treas. Elmer Chatak said final disposition of the case against Florida Steel for illegally withholding wage increases at its Indiantown plant and another plant in Charlotte, N.C., where the employees voted for union representation, could cost the firm another $3-$4 million.

IN ADDITION to making the backpay awards, the company agreed to raise wage rates 65 cents at Indiantown and over $1.25 at Charlotte.

Complicating the situation at Indiantown, Florida Steel shut down the plant Feb. 1 for an indefinite period. The union immediately filed charges with the National Labor Relations Board that the shutdown was motivated solely to frustrate unionization.

"The shutdown can't be a result of money problems," Chatak said, pointing out that the company's profits last year were over 7.5 percent and its net worth over $100 million. He said Florida Steel, one of the few non-union steel companies in the South, "is rivaling J. P. Stevens to be the worst labor law violator in history."

OVER THE period 1973-1979, the Steelworkers filed 21 separate unfair labor practice cases against Florida Steel, of which three were settled. All the rest, except one, were upheld by NLRB and in most cases enforced by the courts. In the most recent court action, the 5th Circuit Court of Appeals last June 15 issued a contempt citation against the company.

The central charge in the litigation that led to the initial $1.3 million in back pay for Indiantown workers is that the company illegally withheld wages and benefits from them beginning in 1974, the year they voted to be represented by the Steelworkers. The company used the same tactic at the Charlotte plant beginning in 1973 when the workers there also voted for the union. Ever since, the company has illegally evaded its obligation to bargain in good faith, the union charged.

Before the election at Indiantown, the company boasted in a leaflet of withholding wage increases at the Charlotte plant in an attempt to defeat the union.

THE $1.3 MILLION in back pay represents what the company says it owes the Indiantown workers. The union says the total is closer to $5 million in back pay for workers at both plants.

"Florida Steel has claimed all along that it didn't owe any back pay," Chatak said. "Now, for the first time, the company has admitted it's liable with these first payments to the Indiantown workers."

Richard Shoemaker Retiring from Staff

AFL-CIO health legislation specialist Richard E. Shoemaker has retired after 20 years on the federation's staff as an assistant director of the Dept. of Social Security.

Shoemaker, 67, was a public relations officer with the Pennsylvania Dept. of Health before coming to the AFL-CIO headquarters in 1962. During the mid-1950s he was an AFL-CIO community representative with the Tri-County United Fund in Harrisburg, Pa.

Earlier, Shoemaker was a labor educator at Pennsylvania State University and a legislative representative with the CIO's Government & Civic Employees Organizing Committee.

Shoemaker is a member of the Newspaper Guild and holds a bachelor's degree in economics from Yale University.

41 States Suffer Steady Increase In Jobless Rates

(Continued from Page 1)

turing sector, with durable goods generally the hardest hit, BLS said. Over-the-year employment losses in construction trades and government also continued in virtually all of the states with large increases in joblessness.

Areas of relatively high or low unemployment continued to be regionally concentrated, BLS said. Fifteen of the 19 states with the highest rates were in an area extending from Iowa eastward to Illinois, Indiana, Michigan, Ohio, and Pennsylvania, and southward to the Gulf Coast states of Louisiana, Mississippi, and Alabama. The other four high unemployment states were in the Northwest—Alaska, Idaho, Oregon, and Washington.

In contrast, five of the six low unemployment states extended from Wyoming and Nebraska south to Kansas, Oklahoma, and Texas. Also below 6 percent in January was Hawaii.

MICHIGAN continued to have the highest jobless rate—16 percent in January, an increase from 14.4 percent the month before. Wyoming had the lowest, 4.6 percent.

Of the 203 metropolitan areas covered by the survey, 68 had jobless rates of at least 10 percent. The highest rates were reported in Dubuque, Iowa, 23 percent, and Anderson, Ind., 20.5 percent, while the two areas with the lowest rates were Enid, Okla., and Abilene, Tex., both at 3.7 percent.

Retirees' Union Clubs Flourish In Arizona

Sun City, Ariz.—Less than three years ago a small band of retired trade union officials decided to organize union retirees here into a Union Club to work for programs and legislation that concerned them and all retirees.

But even the most optimistic of them did not foresee what would result. Today, the Union Club in this conservative retirement area has not only taken hold, but has grown to more than 1,700 members from 58 different unions.

THE UNION CLUB idea has caught on so well that similar clubs have sprung up throughout Arizona and others are being formed.

In addition to the Union Club here, eight other clubs are functioning in the state, four are in the process of being formed and five have set up organizing committees. The total state membership is now about 2,700.

The man who provided the spark for the original club and who has worked virtually full time to spread the organization of retired unionists is Lawrence N. Spitz, retired assistant to the secretary-treasurer of the Steelworkers, who serves as president of the club here.

IT WAS SPITZ and two other retired USWA leaders who launched the original organizing campaign—former President I. W. Abel and former Sec.-Treas. Walter J. Burke.

Not only has the growth of the Union Club been dramatic but the potential in Arizona is impressive. There are more than a half-million retirees in Arizona and 390,000 of them have a former union affiliation.

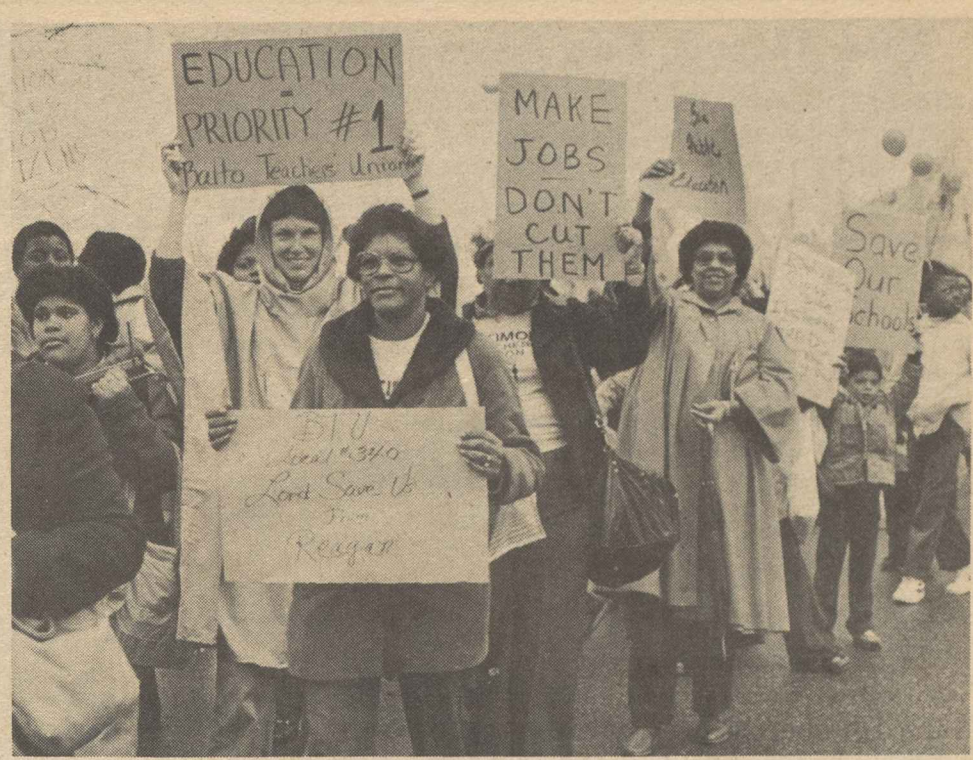
The 69-year-old Spitz says he is not deluding himself that they all can be organized into Union Clubs but "we have all their names on our computer, and who knows but, at the rate we're going, some day we might just organize most of them."

The original Union Club takes in Sun City, Sun City West and Youngtown—two neighboring retirement communities—Peoria, Glendale (suburbs of Phoenix) and the city of Wickenburg, northwest of Sun City. Tucson, with 450 members, has the second largest Union Club in the state.

THE ORIGINAL Union Club played a leading role in repeal of the state's sales tax on food and is currently pushing legislation to exempt $10,000 of pension payments from the state income tax. It also maintains a list of recommended repairmen and monitors food prices in local supermarkets, as well as conducting annual flu shot programs for all retirees in the area.

As an indication of the club's influence and potential, it has been addressed by Gov. Bruce Babbitt and the state's Democratic U.S. senator, Dennis DeConcini.

"We're on our way to showing what retired unionists can do, not only here but in all areas of the country," Spitz said.



MARYLAND SOLIDARITY DAY brought several thousand union members to the state capital to protest Reagan Administration policies and display strong support for labor-backed measures now before the state legislature. Citing the state's 9.7 percent unemployment rate, President Thomas M. Bradley of the Maryland-District of Columbia AFL-CIO in an address to the gathering called on the General Assembly "to show good faith to Maryland's workers and consumers by repudiating the Reagan economic philosophy."

Money Squeeze Continues to Deepen Recession

The nation's economy continued to shudder under tight money policies and high interest rates as joblessness and bankruptcies escalated, automobile sales plunged despite rebate plans, and consumer confidence dipped.

Even government reports of slight February gains in housing starts and factory production failed to indicate any relief soon from the Reagan Recession, now in its eighth month.

NEW APARTMENT construction pulled up the rate of housing starts by 6.5 percent last month, despite a further drop in the number of single-family homes. The Commerce Dept. reported that the number of new starts, after seasonal adjustment, brought the annual rate to 953,000. It was the seventh consecutive month that the closely watched rate of starts was below one million. It was 26 percent under the rate of a year ago.

Analysts had expected a February increase in starts because of the improved weather, but in many areas the surge fell short of expectations. Michael Sumichrast, chief economist of the National Association of Home Builders, said a robust recovery cannot be expected unless home loan rates fall at least four percentage points and bank loan rates also decline substantially. The government reported earlier that interest charged on an average long-term home loan was 17.49 percent in early February.

COMMERCE SEC. Malcolm Baldrige said the strength and sustainability of the housing recovery will depend on the trend of mortgage interest rates, which "remain at disturbingly high levels."

Meanwhile, another closely watched figure—the government's measure of industrial production—rose 1.6 percent in February, the first increase since last July, but again analysts discounted the rise, saying it was distorted by bad January weather that pushed factory output down more than usual. This meant that the usual seasonal adjustment to the figures for January was probably not sufficient and, as a result, there was then a corresponding recovery in industrial production in February.

Wall Street economist Henry Kaufman warned in congressional testimony that the nation may be headed into "unnecessary economic tragedy" under the Administration's current economic policies. He told the House Budget Committee that economic recovery will remain "blocked" if Congress does not trim the huge budget deficits projected by the Administration. A long struggle between Congress and the Administration over the federal budget, he added, would keep interest rates high and place obstacles in the path of recovery.

A tentative trend toward lower interest rates came to a halt as four major banks increased their prime lending rates half a percentage point to 16.5 percent. The rise reversed a downward move that began Mar. 8. The prime is a key lending rate because many business loans are tied to it. It is the interest rate banks charge their best corporate customers.

Other developments that seemed to militate against an early recovery:

- Sales of U.S.-made cars fell 31.8 percent in the first 10 days of March, the steepest decline this year. All five major auto makers had rebate programs in effect during the period but they appeared to have had little impact on sales.
- Factory operating rates went up in February by 1.2 percentage points, the first improvement since July, but did not entirely make up for January's 2.3 percent decline. The Federal Reserve Board said that only 71.8 percent of factory capacity was being utilized in manufacturing industries last month.
- Business failures are climbing sharply. They are now running at a rate of 83 per 10,000 compared to 24 per 10,000 in 1978.
- A Commerce Dept. survey conducted in late January and February showed that businesses planned to spend 1 percent less on new plant and equipment this year than in 1981, adjusted for inflation.

REFLECTING the grim economic news, consumer confidence, which rose for the first time in months in January, fell again in February as Americans put off buying plans. The business-oriented Conference Board said its consumer confidence index dropped to 58.2 in February, down four points from January.

"Negative economic news, including reports of extensive layoffs, rising bankruptcies and large federal deficits, appear to have shaken consumer spirits," the research group said. It said that employment has become a major consumer worry, with 51 percent of those surveyed reporting jobs are hard to get.

Resignation of Williams Shifts Senate a Notch Further Right

The resignation of Sen. Harrison A. Williams, Jr. (D-N.J.) shifts the Senate a notch to the right, strengthening its already conservative coloration. It could also, at least temporarily, tilt the balance in the closely divided Senate Labor & Human Resources Committee.

Williams whose resignation averted a Senate vote on an expulsion resolution based on videotapes from the FBI's Abscam investigation, was a staunchly liberal voice during his 23 years in the Senate and two previous terms in the House. His COPE scorecard shows 226 key Senate votes in accord with labor's position and only 18 "wrong" votes.

IN THE current Congress, Williams was the ranking minority member of the Senate Banking, Housing & Urban Affairs Committee. But he remained an influential force on the Labor & Human Resources Committee, which he headed from 1971 until the Republicans won control of the Senate after the 1980 election.

Despite a 9-7 Republican majority on the full Labor Committee, the seven liberal Democrats were often joined by one or both of the committee's moderate Republicans. Thus, Republican Lowell P. Weicker, Jr. (Conn.) voted with the Democrats last year against the nomination of John R. Van de Water, a management consultant, as chairman of the National Labor Relations Board. The resulting 8-8 tie kept the nomination from the floor of the Senate, although he holds office under a temporary presidential recess appointment.

On some other issues, Sen. Robert T. Stafford (R-Vt.) has lined up with the Democrats against his more conservative GOP colleagues.

New Jersey's Republican governor, Thomas H. Kean, is certain to appoint a Republican to succeed Williams, to fill the remaining nine months of his Senate term. That would give the GOP a 54-46 majority, counting independent Harry F. Byrd, Jr. (D-Va.) in the Democratic column.

THE PERCENTAGE shift would not justify a change in the party ratio of committees. But such decisions are not always made solely on mathematical grounds, and various options were explored at a recent meeting of Republican committee chairmen. No immediate decision was reached, however. Nor have the Democrats moved to try to fill the committee vacancies, an action that would have to be confirmed by the full Senate.

Meanwhile, the Republicans have a temporary 9-6 majority on the Labor & Human Resources Committee and an 8-6 majority on the Banking, Housing & Urban Affairs Committee.

MRS. BERNICE ABEL DIES

Sun City, Ariz.—Bernice Abel, wife of retired Steelworkers President I. W. Abel, died recently after a brief illness. She was 71. Survivors include her husband and two daughters.

OSHA Accused of Putting Profits Before Job Safety

(Continued from Page 1)

lor charged. He testified before a House Government Operations subcommittee headed by Rep. Cardiss Collins (D-Ill.), who expressed concern at the "vast and unprecedented power over the rulemaking authority of federal agencies" that the Reagan Administration has assigned OMB.

AMONG THE matters explored at the hearings have been industry contacts with OMB officials over proposed regulations. Such intervention is "perverting the rulemaking authority," Taylor said in response to a question.

The AFL-CIO testimony noted the Administration's attempt to pull back and reconsider OSHA's cotton dust standard. Despite a Supreme Court decision that health considerations in standard-setting may not be subordinated to a cost-benefit test, cost tests are still being applied.

"Since the Reagan Administration took office," Taylor testified, "there have been over 50 Federal Register notices withdrawing, staying and delaying regulations or announcing OSHA's intent to weaken existing standards."

He cited such OSHA actions or proposals as:

- Reconsideration of the health effects findings of the cotton dust standard on the basis of textile industry studies that the OSHA staff had dismissed as inadequate and meaningless.
- Holdup of a requirement for semi-annual publication of a list of substances that can cause cancer because it might lead to a "cancer scare."
- Elimination of requirements that workers be notified of noise exposure levels in their workplaces because industry claimed the notification would be burdensome.
- A proposed change in respirator fit requirements in the lead standard to allow use of a manufacturer's disposable respirator despite evidence that the change would decrease worker protection.

The Tilted Tax Structure

PRESIDENT REAGAN still likes to gibe at the federal government as "that puzzle palace on the Potomac," a line that sometimes was good for mild chuckles on the campaign trail.

Now that the Administration's "supply-side" economic package is in place, there may be more than a grain of truth in the President's quip.

It is hard to conceive of a rational government coming up with a tax program that pours out huge refunds to affluent, highly profitable corporations.

A news story in the Washington Post cited some examples of the buying and selling of tax breaks that allow corporations to increase their after-tax income by obtaining tax credits and depreciation write-offs from less profitable enterprises. This is done through an intricate system of leasing that serves no purpose other than to provide a tax windfall.

TAKE THE CASE of General Electric, which had earnings of $2.66 billion last year.

The previous year, GE had paid $330 million in federal taxes and in 1979, its tax came to $426 million. But all that was before the Reagan Administration discovered supply-side economics and constructed a tax law to fit its ideological goals.

Under the new tax law gimmick, GE ended up owing no federal income tax on its multi-billion dollar profits. But that's not all. It had bought up so many tax breaks that GE will come out with a refund estimated at from $90 million to $100 million.

Amoco, with a pre-tax income of $3.46 billion, wasn't able to acquire enough tax breaks through the complex "leasing" procedure to absolve it of all federal tax obligations.

Shucks. But it did manage to shave $159 million from its tax bill, so Reaganomics proved its value—to Amoco.

Surely one would have to live in a puzzle palace to come up with such an ingenious method of rewarding the rich.

For the rest of us, it hurts too much to laugh.

EVERY DOLLAR in tax giveaways to the most prosperous corporations and the wealthiest individuals is a dollar less for heating bill subsidies for the poor, for health care, for job training—and, yes, also for the strong defense that the nation needs.

It is not just wasteful. It is evil.

The other excesses of last year's tax bill may be less outrageous, but only by comparison. Taken together, the tilt has been to take from those with the least to give to those with the most.

The tax windfalls that have accrued to those firms least in need have more often been used to finance corporate takeovers of other businesses than for job-generating expansion.

Meanwhile the ability of the economy to rebound from recession has been weakened by the government's revenue drain. Federal housing programs, public works, job training—all necessary ingredients of economic recovery—remain starved for funds.

Surely, restoring the nation's tax structure to a fair balance must be the first priority for a repentant Congress.

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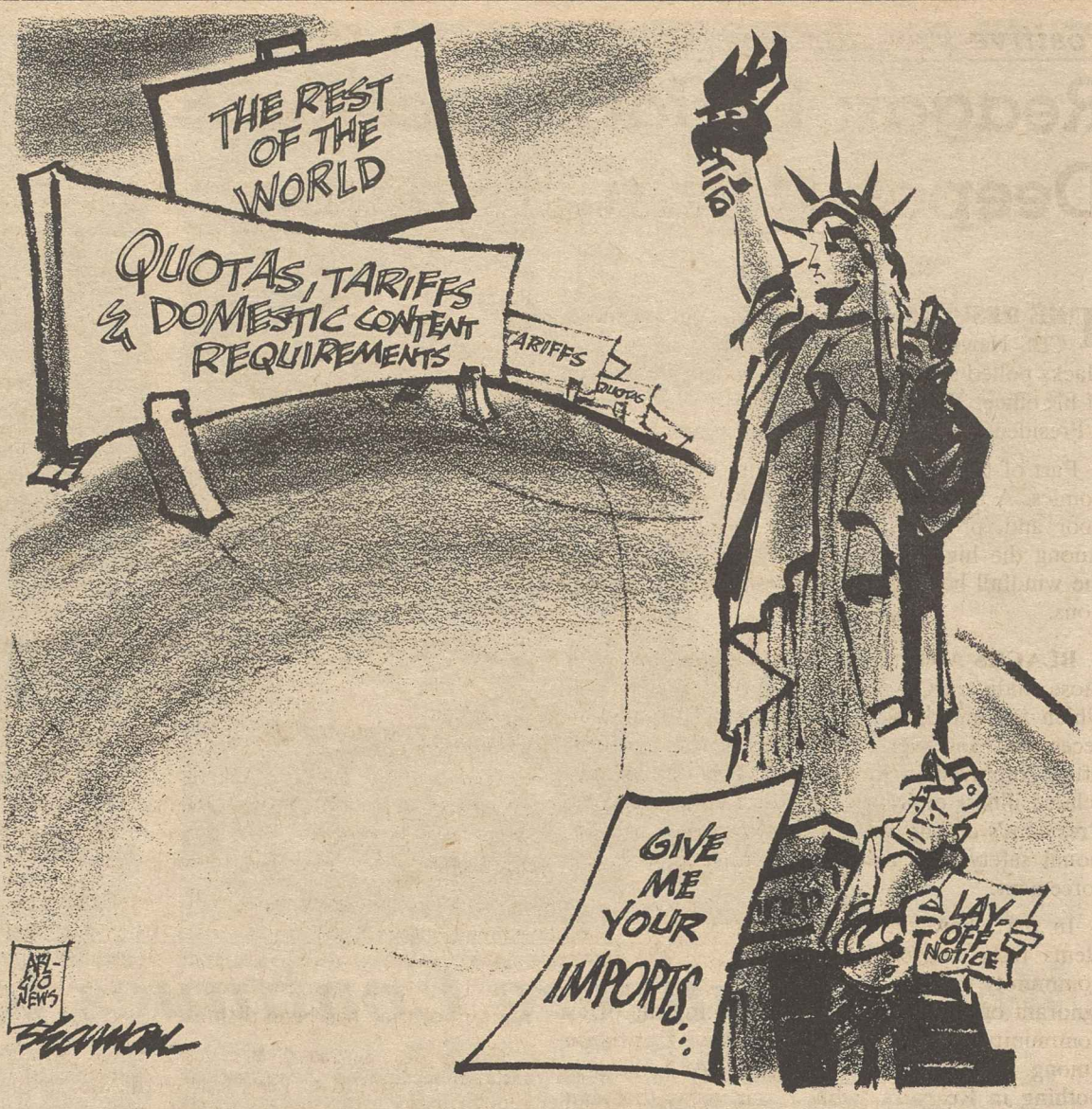

Privileged Treatment

Capital Gains Cheats Escape With Billions in Unpaid Taxes

By Gus Tyler

ABOUT HALF the profits realized from capital gains (mainly the sale of stocks and bonds) goes unreported to the Internal Revenue Service. That means that no income tax is paid to Uncle Sam on this sum.

This finding bothers Sen. Robert Dole (R-Kan.) who heads the Senate Finance Committee. The loss to the government runs into the tens of billions of dollars. What is more, the amount of unreported income tripled in eight years. Dole proposes that stock brokers report capital gains to the IRS in the same way that employers report earnings of their employees.

TO MOST OF US, it will not come as a surprise that people cheat on their taxes. The practice is as American as apple pie and Jesse James. But there is a difference in the kinds of taxpayers who cheat and who do not.

Those who live on wages and salaries hardly cheat at all, mainly because they can not even if they would like to. These "earned incomes" are regularly reported by employers who, in addition, make weekly deductions from paychecks. So, the records reveal, more than 90 percent of "earned" income is reported and taxed.

But those who live on capital gains, generally referred to as "unearned income," can cheat. So 44 percent of the money due is never reported and escapes taxes.

There's a real irony here because profits on capital gains have gotten privileged treatment from our government. The whole income is not taxed; only half of it is.

To this privilege was added another privilege in the 1981 tax law, constructed to enrich the rich. The tax on capital gains was reduced to 20 percent.

THESE LAWS have, with chronic consistency, been revising the Biblical injunction that man shall earn his living in the sweat of his brow. Our tax law says that if you do not sweat, but merely sell pieces of paper for a profit, you are exempt from the curse put upon Adam and shall therefore get special treatment from Uncle Sam.

Despite the favoritism showed toward "unearned income," the beneficiaries of capital gains cheat half the time.

They are not the only people who cheat Uncle Sam, of course. There are welfare cheats, too. There is the woman with two infant children who earns a few dollars now and then doing housework here and there for a day or two who, alas, does not reveal this "earned income" because she wants to get some money from a federal program like aid to dependent children or food stamps or rent supplement. She, too, is violating the law. Indeed, in a recent survey, it was found that some 2 percent of the recipients of food stamps were cheating.

BUT WHEN the "welfare" cheat and the capital gains cheat appear before St. Peter for judgment, will they both be damned equally? Will the mother who cheats because she wants a few extra dollars for shoes, or for a new dress, or even for a movie be judged the same as the man who cheats because he wants a new Mercedes or a new mistress?

Will Heaven's judgment be alike for those who sin out of need and those who sin out of greed?

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Housing Needs Mount For Young, Old, Poor

This is no time for complacency about housing in our country.

Young families, senior citizens, the poor, and even the not-so-poor are confronted every day with rising shelter costs and a growing housing shortage. Two families doubling up in houses built for one is no longer uncommon. Nor is the sight of homeless people sleeping in makeshift shelters.

All of us are concerned that we will not be able to house decently the 20 million more Americans who will need shelter in the coming decade. Our existing housing stock will not last forever. It needs to be replaced, improved, and rehabilitated.

We believe this nation can support housing programs that will provide adequate levels of production and assistance. We call upon the Congress and the Administration to preserve this nation's commitment to the goal of decent, affordable housing for all Americans.

—From "Save-Housing" coalition statement, Mar. 16, 1982.

Positive Program Needed

Reagan Performance on Rights Deepens Distrust among Blacks

By Norman Hill

THE RESULTS of a recent New York Times/CBS News Poll reveal that only 8 percent of blacks polled approved of the President's handling of his office. This is the lowest approval rating for a President that the poll has ever registered.

Part of the problem is of course based in economics. A disproportionate number of blacks are poor and, proportionately, far fewer blacks are among the high-income earners who are reaping the windfall benefits of the President's tax reductions.

BLACKS ARE represented in high numbers in those industries, auto and steel among them, which are among the hardest hit by the Reagan recession. Moreover, black workers, who are most often employed in jobs with a high risk of job-related illness or injury, are not unmindful of the President's attempt to drastically weaken occupational safety and health standards and their enforcement.

In part, however, the low rating of approval stems from a growing perception in the black community that the President is indifferent to and ignorant of the severe difficulties facing the black community. The sense of despair and frustration among blacks is on the increase. And there is nothing in Reagan's public expressions that can provide blacks with the least bit of hope.

The most recent case in point is the fiasco over a decision by the Treasury and Justice Departments to revoke an Internal Revenue Service policy which denies tax exemptions to racially segregated private schools. White House Counselor Edwin Meese, Reagan's close friend and influential adviser, was the one who personally approved this lamentable change in policy. American blacks can rightly have no confidence in a President with advisers such as Mr. Meese.

MORE SHOCKING, however, was the President's initial reaction. When Deputy White House Chief of Staff Michael Deaver together with Sec. of Housing Samuel Pearce met with the President to explain this latest Reagan disaster in race relations, they confronted a man who reportedly was "hurt and angered" by the public's negative reaction.

All Americans who are committed to racial equality and social justice must be dismayed by news that their President was "angered" at proper criticism of his Administration's latest outrage against human decency. Rather than expressing shock at the failings of his closest aide, Reagan was venting fury against every decent American who is shocked by the Administration's bleak record on matters of civil rights and social justice.

Public response to the Administration was strong indeed. Just days later the President announced that the Administration was submitting legislation to Congress that would bar tax-free status to schools that discriminate on the basis of race.

BUT DESPITE the President's protestations that he is "unalterably opposed to racial discrimination in any form" Mr. Reagan's conduct in office is deeply troubling to blacks. After all, as a result of his stewardship of the economy, black unemployment stands at 17.4 percent; the President is engaged in an effort to weaken the provisions of the 1965 Voting Rights Act, and the work of the Equal Employment Opportunity Commission has been severely restricted.

At press conferences, the President frequently betrays what for blacks is an almost galling ignorance of such issues of vital concern as affirmative action. Overall, the President's performance on matters of race has been dismal.

When he assumed his high office Reagan pledged he would be President of all the people. In practice he has demonstrated a cruel preference for the privileged and wealthy, for racial bigots and segregationists. At the same time he has heightened the sense of frustration among black Americans and has seriously undermined their trust in the Executive Branch.

WHAT IS NEEDED is not merely an occasional reversal in policy or an attempt legislatively to repeal an Administration blunder. What is needed is a clear articulation of a positive program designed to deal with the special burdens faced by black Americans who disproportionately are suffering from the Reagan recession and the Administration's effort to gut social programs which aid the needy.

Unless he takes clear steps to reverse his failings in the arena of civil rights, amiable and charming Ronald Reagan may go down in American history as the person who most undermined the racial progress our country had made since the 1950s.

Norman Hill is president of the A. Philip Randolph Institute.

For 'Self-Reliance'

Sharp Cuts in Subsidies Snag Postal Service Transition Plan

POSTAL SUBSIDY slashes imposed by the Reagan Administration are interfering with the orderly transition of the Postal Service from dependence on congressional funding, President Vincent Sombrotto of the Letter Carriers charged.

Stressing that the last phase of step-by-step conversion of the postal system to "self-reliance" spelled out in the Postal Reorganization Act is now under way, Sombrotto said that process may now be delayed beyond the 1984 target. He said the budget cuts have also triggered steep rate increases that will force many religious, union, educational and other non-profit organizations to severely reduce or discontinue their publications.

Limitation on the First Amendment right to the freedom of expression "narrows the scope of our society and endangers all of the liberties that we enjoy," Sombrotto warned on the network radio interview Labor News Conference.

Sombrotto said that while "a fair percentage" of the 600,000 members of the Letter Carriers union probably voted for Ronald Reagan in the 1980 election, there is now "great dissatisfaction with what he is doing." Although unemployment is low among members of the union and they have some economic security, "they see this Administration's main objective as trying to cure the ills of the society on the backs of working men and women and the poor—to the exclusion of the very wealthy," he noted.

SOMBROTTO ALSO said that despite stormy 1981 contract negotiations, the current three-year agreement provides a vehicle for both the union and postal management to work toward better labor-management relationships.

"If we can create that atmosphere, I believe we will have higher productivity and a better Postal Service," he said.

Reporters questioning Sombrotto on the AFL-CIO produced public affairs program were Jeff Mills of the Associated Press and Robert Cooney of Press Associates, Inc. Labor News Conference is broadcast weekly on Mutual radio.

Full Measure of Quality!

3/4 Ingredients of All
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1/4 and Union Services

UNION LABEL AND SERVICE TRADES DEPT., AFL-CIO

Washington Window

By Press Associates, Inc.

PRESIDENT REAGAN'S tax and budget cut package was sold to Congress and the American people as the medicine necessary for economic growth and balanced budgets.

Huge tax breaks for business were going to revive investment and productivity. Income tax cuts were "across-the-board"—the same percentage cut for the wage earner and the top corporate executive. Fair enough, it may have seemed, at first glance.

Budget cuts in domestic programs were needed to rein in federal spending. Many would have to tighten their belts, but the "truly needy" would be protected by a "safety net."

With Reagan's "program for economic recovery" firmly in place, Americans are still looking for the light at the end of the tunnel of deep recession, rising unemployment and runaway deficits. The nation is saddled with a tax and budget program which not only has failed to bring the promised prosperity, but has compounded the hardship of recession for millions of Americans.

WHILE MANY have protested all along that the Administration's tax and budget cuts were unfair, a study by the Congressional Budget Office gives us the facts and figures and dispels any lingering doubts.

The 50-page study by the CBO, a non-partisan agency respected for its professional expertise, is the most comprehensive attempt so far to measure the combined effects of last year's tax and budget actions on different income groups.

The study, taking 1983 as the first full year in which all the tax and budget changes enacted by Congress last summer will be in effect, reveals that families with incomes below $20,000 will suffer almost two-thirds of the social program cutbacks.

At the same time, below-$20,000 households, who comprise nearly half the population, will receive less than 15 percent of the income tax reductions in 1983. Over 85 percent of these tax benefits will go to families with incomes above $20,000.

For low-income families, especially the "working poor," the combined net loss from the budget and tax cuts will be the greatest, the study points out.

Families with incomes under $10,000, nearly 23 percent of the population, will suffer an average net loss of $240 in income and services in 1983. These families will lose $360 in benefits while gaining only $130 from the tax cut.

ABOUT 40 PERCENT of the social program cuts come from benefits received by those earning less than $10,000, the study says.

On the other hand, households whose income exceeds $40,000 will sustain only 11 percent of the 1983 program cuts. But these upper-income people will receive half the income tax reductions.

The higher the income, the greater the rewards under Reaganomics. For families with incomes between $10,000 and $20,000, net gains will average $220. For those in the $20,000 to $40,000 income range, gains average $810. Those with incomes in the $40,000 to $80,000 range will net $1,700. And, for those with incomes above $80,000, the net gain averages $15,250.

In arriving at these figures, the CBO analyzed cuts in 18 programs, including social security, civil service and military pensions, unemployment insurance, food stamps, welfare, Medicaid, Medicare, student loans, school lunches, housing assistance, and veterans benefits.

Reacting to the CBO study, which they commissioned, House Budget Committee Chairman James R. Jones (D-Okla.) and Sen. Ernest F. Hollings (D-S.C.) issued this statement, "A critical element in any budget has to be its fairness. The CBO study speaks clearly on the fairness of the Reagan program as enacted in the first session of the 97th Congress."

ORDERLY TRANSITION of the Postal Service to independence from congressional funding may be delayed beyond the 1984 target by the Reagan budget cuts that have also triggered higher postal rates, Letter Carriers President Vincent Sombrotto, center, warned on Labor News Conference. Questioning him were Robert Cooney, left, of Press Associates, Inc., and Jeff Mills of the Associated Press. The AFL-CIO produced public affairs program is aired weekly on Mutual radio.

LABOR WITNESSES testify at joint House-Senate hearings on employment training legislation. From left: Henry Nicholas, president of District 1199 of RWDSU; AFL-CIO Legislative Rep. Robert McGlotten; AFL-CIO Economist Markley Roberts; Service Employees Sec.-Treas. Richard Cordtz; State, County & Municipal Employees Sec.-Treas. William Lucy, and Reese Hammond, education and training director of the Operating Engineers.

Labor Presses Congress to Restore 'Essential' Job Training Programs

The AFL-CIO and a panel of affiliates urged Congress to restore job training and job development programs as vital ingredients of a national commitment to full employment.

"Programs to train the jobless and disadvantaged are essential to economic growth and to social progress," AFL-CIO Legislative Rep. Robert McGlotten testified.

THE LABOR witnesses made their case before an unusual joint session of House and Senate subcommittees that are considering legislation to replace the Comprehensive Employment & Training Act, which expires on Sept. 30. The CETA programs were decimated by last year's budget cuts, which wiped out the remnants of the public service employment program and forced severe cuts in both national and locally sponsored training programs, many of which involved the trade union movement.

Any new program should build on the most successful aspects of the CETA program, the union panelists agreed. In addition to McGlotten, those testifying were:

- William Lucy, secretary-treasurer of the State, County & Municipal Employees. He said AFSCME "rejects the notion that programs to aid the unemployed should be slashed and narrowed when unemployment is high."
- Richard Cordtz, secretary-treasurer of the Service Employees, who stressed that any replacement legislation should include "a strong federal role" in setting standards for programs and provision for government "as employer of last resort" when the private job market can't absorb the workforce.
- Reese Hammond, director of education and training for the Operating Engineers, which has provided training through the Job Corps as well as under other CETA programs. He urged continued provisions for "targeted outreach programs that enable community-based organizations to assist in the identification, recruitment and support of minorities and women for apprenticeship programs."
- Henry Nicholas, president of District 1199, the hospital and health care branch of the Retail, Wholesale & Department Store Union. He stressed that job training should include upgrading of low-level workers as well as new entry positions.

ALTERNATING AS presiding officers during the joint hearings were Rep. Augustus F. Hawkins (D-Calif.), chairman of the Employment Opportunities subcommittee of the House Education & Labor Committee, and the chairman of the counterpart Senate subcommittee, Sen. Dan Quayle (R-Ind.).

Hawkins is the sponsor of a bill that in most areas came closest to the recommendations of the labor panel. Quayle is co-author with Sen. Edward M. Kennedy (D-Mass.) of a compromise measure that would provide some $3.9 billion to fund a variety of programs, compared with $5 billion in the Hawkins bill and less than $2.4 billion under the Administration proposal.

McGlotten, presenting the AFL-CIO testimony, cited the mandate of the Humphrey-Hawkins Act to promote full employment and balanced economic growth both through general economic policies and targeted employment and training programs.

TRADE UNION participation in planning and implementing job programs is essential, he stressed. "Labor, government and business must work as equal partners" to provide "quality training which leads to well-paying, permanent jobs," he said.

McGlotten cited the "demonstrated effectiveness" of the AFL-CIO's Human Resources Development Institute, Apprenticeship Outreach and other training and upgrading programs sponsored by unions and such groups as the Recruitment & Training Program, the Urban League and Opportunities Industrialization Centers.

Labor does insist that the training programs not be abused to undermine wage standards, to subsidize low-wage employers or to aid runaway industries, he stressed.

"FOR ALL its problems and faults," McGlotten testified, "CETA has been a success" and its cost has been repaid to the nation in the skills, higher wages and taxes paid by those who were helped.

He said the Hawkins bill "offers the best starting point" although labor has reservations about proposed wage subsidies for youth and business domination of Private Industry Councils.

The Quayle-Kennedy measure is a welcome bipartisan approach. But "the lack of comprehensive labor standards and authorization for wage subsidies to private employers are major concerns which we hope to see resolved."

A BILL by Rep. James Jeffords (R-Vt.) is also a mixture of desirable and regressive features, McGlotten testified.

He said the AFL-CIO is most critical of the Administration proposal, "the only bill which provides for substantially less than is currently provided." Even worse, McGlotten said, "the Administration's proposal is a clear attempt to dismantle employment and training programs while unemployment is rising to record levels."

The Administration proposal would limit assistance largely to welfare recipients and unemployed youth. States would receive block grants to be distributed through what the Wall Street Journal described as "a network of special business-dominated local boards."

If a comprehensive bill that meets labor's goals can't be put through Congress at this session, McGlotten suggested that it would be better to extend the existing CETA legislation temporarily than to enact a law that would fall significantly short of the need.

LUCY EXPRESSED AFSCME's concern in a related area of proposals from various sources to alter the role of the public Employment Service, especially in the direction of contracting out many of its functions to private agencies. He said close coordination between Employment Service activities and the job training system should be encouraged.

Cordtz stressed the SEIU's support for building on the existing CETA framework and preserving the Employment Service. "There is no gain in scrapping the present system, reinventing the wheel and handing lopsided control of the system to the private sector," he said.

Hammond said the Operating Engineers are concerned that equal access to apprenticeship opportunities, which the union strongly supports, should be followed by quality training which will turn out equally qualified graduates. "Unequal training is the rankest form of discrimination," he said.

Nicholas said CETA programs have been successful in helping hospital workers upgrade their skills and qualify for better jobs. Training programs, he urged, should prepare workers "for jobs that really exist."

Unions Shape Goals for GE, Westinghouse

The 13-union Coordinated Bargaining Committee seeking new contracts this year with General Electric Co. and Westinghouse Electric Corp. placed wage increases and job security at the top of its contract goals.

At a meeting of the CBC's steering committee in Washington, union representatives pointed out that average earnings of workers in the electrical equipment and supplies industry are not enough to enable their families to cope with today's living costs. Besides a general wage increase they called for improvements in the current cost-of-living formula.

OTHER GOALS drawn up at the two-day meeting include protection against automation and high technology, particularly the introduction of robots and computers, and improved pension and insurance plans.

Agreements covering about 228,000 workers employed by the two firms are scheduled to expire on June 30 at GE and on July 15 at Westinghouse. The Electrical, Radio & Machine Workers, which represents the largest number of workers involved, will open talks with GE on May 4 and with Westinghouse the week of May 17.

Steering committee Chairman John Shambo of IUE called on subcommittee chairmen for reports on goals in various bargaining areas. They stressed the prosperity of the two corporations, noting that GE profits last year were up 34.1 percent while Westinghouse's rose 80.2 percent.

Under the coordinated bargaining arrangement, each participating union negotiates a separate contract containing similar terms for each bargaining unit. The talks at GE generally influence those at Westinghouse.

SHAMBO SAID the steering committee approved a revised telephone communications system which will make it possible for local unions across the United States to keep abreast of progress in the negotiations.

Coordinated bargaining participants are the IUE, Machinists, International Brotherhood of Electrical Workers, Allied Industrial Workers, Auto Workers, Carpenters, Firemen & Oilers, Flint Glass Workers, Plumbers & Pipefitters, Sheet Metal Workers, Steelworkers, and the unaffiliated Teamsters and United Electrical Workers.

Coalition Asks Study of Policy On Disability Benefit Cutoffs

The Save Our Security coalition has urged Congress to "take a close look" at procedures being used by the Social Security Administration to review the status of persons receiving disability benefits.

The coalition's concern that budget pressures may result in unjustified termination of disability benefits was expressed in a letter to Rep. J. J. Pickle (D-Tex.), chairman of a House subcommittee that has been holding hearings on the issue.

SIGNING THE letter were Wilbur J. Cohen, who headed the Dept. of Health, Education & Welfare in the Johnson Administration, and Arthur Flemming, who held the same post in the Eisenhower Cabinet, along with former Social Security Commissioners William J. Driver, from the Carter era, and Charles J. Schottland, from the Eisenhower Administration.

The letter noted that persons whose benefits are terminated after a state review are almost immediately cut off and do not receive any payments during an often lengthy appeals procedure.

Further, "cutbacks in legal services and social service agencies have made it very difficult for disability recipients to obtain legal or other help."

The S-O-S letter noted the special problems of the mentally disabled, who may have their benefits ended merely for failure to return a form they may not understand requesting information on their current medical condition.

Mentally disabled persons, because of their condition, "often are utterly unable to present their own cases" in an appeal and "may not know where to turn for assistance," the coalition said. It urged hearings to assess the disability insurance review process and suggested an investigation by the General Accounting Office.

Benefits should not be terminated before a full review by the Social Security Administration on the merits of the case, the letter urged, and the mentally disabled should be assured assistance in protecting their rights.

Leon Stamey Dies, Retired Field Staffer

Rabun Gap, Ga.—Leon Stamey, retired AFL-CIO field representative, died recently after a heart attack. He was 74.

Stamey, who came out of the Auto Workers, joined the CIO organizing staff in 1946. He had been involved in organizing campaigns throughout the South for 26 years until his retirement in 1972.

'Shelter Is Basic'

Housing Coalition Calls Federal Role Essential

(Continued from Page 1)

Carpenters President William Konyha, who was co-chairman of this year's NHC convention, warned that the housing industry—as well as the auto industry—is in a depression caused largely by the "misguided" policy of the Administration and the Federal Reserve Board of using high interest rates to fight inflation.

He said unemployment among members of the Carpenters union is approaching 20 percent in all construction and is much higher in the housing industry alone.

The Labor Dept. estimated that there was an annual average of about 800,000 unemployed construction workers altogether last year. There are even more today. The jobless rate for the construction industry last month was 18.1 percent, with a total of 928,000 construction workers unemployed.

"I FEAR THAT the entire country may be dragged into this depression unless something is done, and done quickly," Konyha said. The lack of credit availability for home construction is bringing the industry to its knees, he charged.

"Currently, too much of what credit is available is being used in ways that do not enhance productive capacity investment," he observed. "For example, billions of dollars are being tied up in corporate merger and acquisition schemes that add no jobs or new productive capacity to the economy."

Konyha pointed out that under the 1969 Credit Control Act, Reagan and the Federal Reserve Board have authority to direct the availability of credit to socially and economically useful areas and urged that they use it.

Among other coalition participants are the National Lumber & Building Material Dealers Association, Mortgage Bankers of America, National Low-Income Housing Coalition, National Rural Housing Coalition, U.S. Conference of Mayors, Interreligious Coalition for Housing, Ad Hoc Coalition of Housing for the Elderly, and the Council of State Housing Agencies.

THE AFL-CIO is represented in the coalition by the Carpenters, Operating Engineers, Bricklayers, International Brotherhood of Electrical Workers, and the federation's Standing Committee on Housing chaired by IBEW President Charles H. Pillard.

The housing industry revived slightly last month, with new starts rising 6.5 percent from January's level, but the industry was not impressed. Government and private analysts attributed the February gain at least in part to the fact that builders had simply delayed some construction one month because of the extremely cold January weather in two-thirds of the country.

HIGH INTEREST rates have slowed construction and sales of new homes and apartments and thrown hundreds of thousands of workers in construction and related industries out of jobs. The total number of housing starts last year was less than 1.1 million units, a record low dating back to 1946, and only about half the number produced in 1978, the last peak production year when over 2 million units were started.

Pillard commented on the state of the industry in an address to the NHC convention.

"What are the Reagan housing policies in response to this situation?" he asked. "They are non-policies. Instead of providing below-market interest rate financing to make new housing salable and rentable, as has been done in previous downturns, the Reagan Administration is cutting back on existing programs."

HE CALLED on construction workers, builders, developers, and material suppliers to unite in efforts to persuade Congress "that the country cannot tolerate another year of Reaganomics in housing."

The Administration hopes to lop $9.4 billion from this year's budget by not funding the building or rehabilitation of a number of low-income and elderly housing projects that had already been scheduled, plus other cuts in federal subsidies.

Minneapolis Mayor Donald Fraser said cutbacks in federal support for public housing would have severe repercussions in his city where low-income families already have difficulty obtaining housing. He called for a fundamental change in economic policy in the United States to bring down interest rates.

THE HOUSING CRISIS in the United States is getting worse, not better, as construction unemployment and bankruptcies mount, Carpenters President William Konyha warned at a press conference launching a coalition of national organizations concerned about the industry's steady slide. Joining him were Minneapolis Mayor Donald Fraser, right, and San Diego, Calif., builder-developer Daniel Grady.

Cutback in BLS Statistics Undermines Policy-Making

Administration cuts in the funding of basic labor and social statistical services are detrimental to the nation and should be reversed, the AFL-CIO told Congress.

"We know that good, sound economic policy and good, sound social policy depend on good, sound statistics," Federation Economist Markley Roberts said in testimony before the House Banking subcommittee on census and population. "This is true even in the best of times," Roberts observed.

"NOW, WHEN the nation is slipping further into a massive economic recession, it is even more important than ever to have good, sound labor statistics which are accurate, reliable, consistent, credible, and conceptually valid," he said. "Without such statistics, we won't know where we are and we won't know where we are going."

In the fiscal 1983 budget proposal, Administration outlays would perpetuate serious underfunding and the elimination of important statistical series, Roberts pointed out. Sixteen programs of the Bureau of Labor Statistics have already been reduced or eliminated as a result of drastic reductions in the agency's budget.

Roberts expressed the AFL-CIO's deep concern over the wholesale dismantling of manpower and training programs, general worker protection and support activities, as well as social programs in a number of federal agencies.

"THOSE HUGE budget cuts eliminate and undermine many basic programs," he observed. "Now, many relatively small-budget statistical series that measure economic welfare are being cut so that it will be even more difficult to document the adverse impact of these cuts."

Among the statistical series that will be most affected by the budget cuts are family living cost and wage and collective bargaining programs. Others are area unemployment statistics and import monitoring figures.

Roberts said programs that must be restored include employer compensation studies, area and industry wage surveys, wage chronologies, and collective bargaining agreement analyses.

THE AFL-CIO also opposes the Administration's proposal to kill the "family budget" series, begun in 1945. The budget series describes the impact of inflation on workers and their families.

Roberts also reiterated organized labor's opposition to the BLS plan to drop the present measure of homeownership costs in the consumer price index, covering home purchase prices, mortgage interest costs, property taxes, insurance, maintenance and repairs. A "rental equivalence" measure is scheduled to be used instead, starting in January 1983.

"In our view, the move is a backward one," Roberts said. "The United States is the largest nation of homeowners in the world. But now the index is going to say that all these houses are rented.

"We oppose rental equivalence in principle. In no case should it be adopted without full resolution of the measurement problems that we and others have pointed out," Roberts testified.

Kirkland Protests Payments For Hospital Union-Busters

A government agency's decision to allow hospitals and nursing homes to bill the cost of union-busting consultants to the Medicare program is "disgraceful," AFL-CIO President Lane Kirkland protested.

Kirkland wrote Health & Human Services Sec. Richard S. Schweiker that the decision is especially outrageous "at the very time the Administration is cutting back on government funds available for health care."

HIS LETTER referred to a policy change adopted by the department's Health Care Financing Administration at the prodding of the American Hospital Association.

The management group succeeded in getting a reversal of a Carter Administration rule dealing with costs reasonably related to health care service for Medicare patients.

The policy that was reversed by the Reagan Administration held that expenses "for activities directly related to influencing employees regarding their right to organize or not to organize . . . are not related to patient care and, therefore, are not allowable costs." It specified, however, that management could still include normal collective bargaining costs as justified expenses.

THE NEW REAGAN Administration policy is that Medicare will pay for management costs incurred in trying to prevent union organization, unless the activities are found to be illegal under the National Labor Relations Act.

Before the policy shift was made final, Kirkland expressed labor's strong opposition in a letter to the administrator of the Health Care Financing Administration.

His letter to Schweiker protested that the new policy, which the agency termed a "clarification," abandons the principle of government neutrality in organizing situations.

Medicaid Slashes to Cost States $2 Billion

Deep slashes in federal Medicaid assistance proposed by the Reagan Administration in its fiscal 1983 budget could cost states more than $2 billion, the State, County & Municipal Employees charged.

The proposed reductions in federal reimbursements are in addition to cutbacks of $179 million already scheduled for fiscal 1983 under the budget reconciliation act of 1981, AFSCME pointed out.

ACCORDING TO AFSCME's state-by-state analysis of the proposed cuts in Medicaid, $529 million will be slashed from federal funds for nursing home patients, mental retardation centers, mental hospitals and the working poor.

On the average, the union said, states face cuts in these programs ranging from 142 percent to 166 percent in addition to reductions already scheduled.

While all states will be affected by the Medicaid fund cutbacks, the study found that Connecticut, Maryland, Massachusetts, Michigan, New York and Washington would be hardest hit. Their reductions would range from 187 percent to 202 percent above those already enacted.

AFSCME PRESIDENT Gerald W. McEntee pledged that the union would vigorously oppose the new cutbacks.

"Efforts to provide adequate medical care for the nation's elderly, the working poor and the handicapped have been a matter of national policy," McEntee noted. "Now the Reagan Administration wants to dramatically change our nation's health care policies by slashing vitally needed programs which often represent the difference between prolonged illness and a healthy life."

Under the 1981 budget reconciliation act, federal reimbursements on Medicaid were cut by 3 percent for fiscal 1982, 4 percent for fiscal '83 and 4.5 percent for fiscal '84.

As a result of the newly proposed cuts, McEntee warned, states will have to make up the difference out of state revenues, cut back services, raise eligibility standards, or eliminate optional services and coverage for the working poor entirely.

"THE EFFECTS of Reagan's new Medicaid proposals would be to discourage states from providing optional Medicaid services and coverage for the medically needy," he said.

AFSCME represents some 200,000 workers who maintain many of the programs the Administration is cutting back.

House Panel Backs Postal Rate Rollback

The House Post Office & Civil Service Committee has endorsed a restoration of public service funds for the U.S. Postal Service that would allow a rollback in postage rates for non-profit publications.

Mailing costs for non-profit groups, including unions, doubled in January from a second round of budget cuts imposed by Congress. A final-step postage rate that wasn't supposed to be reached until 1987 was put into effect this year.

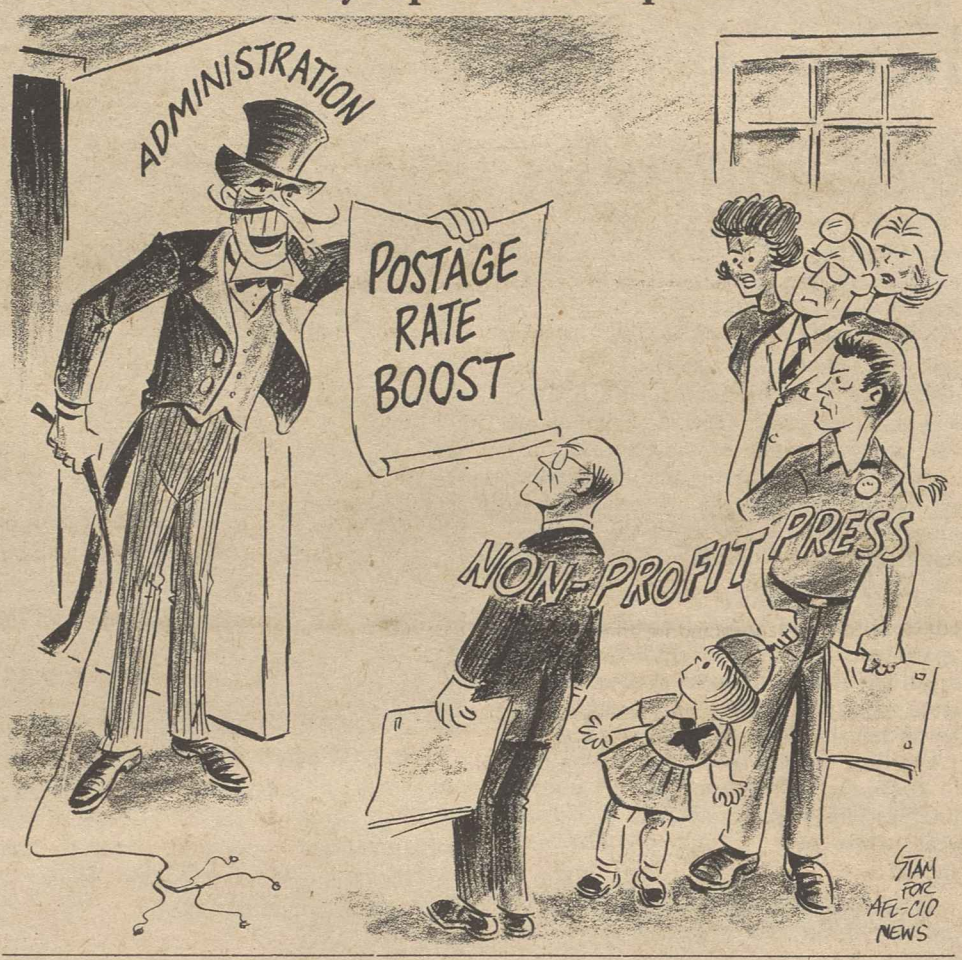
If Congress should adopt the Reagan Administration budget proposals, non-profit publications would face the threat of a staggering additional increase for the fiscal year starting Oct. 1. The new Reagan budget would cut the "revenue forgone" subsidy for non-profit mailings from the current $614 million level to $500 million.

The House Post Office & Civil Service Committee rejected any further cuts and by a 16-8 vote recommended a rise in the subsidy to $913.2 million for the new fiscal year. Its recommendation goes to the House Budget Committee, but is not binding on that body.

The higher funding was recommended by a Postal Operations subcommittee headed by Rep. William Clay (D-Mo.) after hearings at which the International Labor Press Association and other non-profit organizations testified to the cutbacks in publications compelled by the rate increases.

Meanwhile, Sen. Quentin Burdick (D-N.D.) is leading a bipartisan Senate effort to restore some of the funds cut from this year's postal subsidies when a permanent appropriations bill reaches the Senate floor. The previous sharp reduction was imposed through a resolution continuing funds for agencies whose regular appropriations had not yet cleared Congress.

'Pay Up or Shut Up!'



Auto Workers Resume Talks On General Motors Contract

Dearborn, Mich.—General Motors and the Auto Workers returned to the bargaining table for the first time in six weeks, in an effort to negotiate an early contract renewal that will help the giant automaker out of its current slump.

GM offered a 30-month contract along the lines of the UAW's new Ford Motor Co. agreement that would freeze basic wages and provide other concessions to the company in exchange for greater job security for its 320,000 union workers.

"I THINK the GM agreement will certainly resemble the Ford agreement," UAW President Douglas A. Fraser said. "Certain things we want to do differently, and certain things they want to do differently, but I think we'll end up with a similar agreement."

The union initially voted to reopen its current contracts with GM in early January. Negotiations broke down, but the UAW's General Motors Council authorized a resumption of talks. The second round of negotiations collapsed on Jan. 28. Once again, local UAW leaders approved a resolution to reopen the bargaining, and the third round got underway on Mar. 12 with both sides optimistic over a quick settlement.

MEANWHILE, talks between the UAW and American Motors Corp. recessed temporarily while the union's largest AMC local in Kenosha, Wis., prepared a counterproposal to management's plan for employee investment in the company.

Highlights of the latest General Motors proposals include:

- A wage freeze on current hourly wages for the life of the proposed two-and-a-half-year contract.
- Deferment of three cost-of-living payments, each about 10 cents an hour, over the next 18 months.
- Elimination of nine paid holidays.
- Lower wages and benefits for new hires for a yet-to-be specified period.

In return for these concessions, GM is offering an increased role for local UAW units in plant management, a moratorium on plant closings, possibly for the same 24 months as in the Ford agreement, limitations on the use of outside domestic and foreign contractors to produce GM parts, and a profit-sharing program "for employees to share in the success of GM's U.S. operations."

Flight Attendants Win Flying Tigers Unit

The Association of Flight Attendants has been certified by the National Mediation Board as bargaining agent for 368 attendants at the Flying Tigers Line, a Los-Angeles-based charter and air cargo carrier.

The AFA was chosen by a vote of 156 to 142 over the Teamsters, which formerly represented the bargaining unit, to climax a five-month organizing drive.

The AFA, a division of the Air Line Pilots, said contract negotiations with Flying Tigers would begin immediately.

Labor Asks Tax Alternative To Turn Economy Around

(Continued from Page 1)

gimmicks and token devices to make the deficit appear smaller and defuse the rapidly growing chorus of criticism over last year's tax bill."

In addition to capping the 1982 and 1983 tax cuts at $700 per family, the AFL-CIO plan called for repeal of the provision that allows the leasing of tax credits by corporations. Unless repealed, Denison warned, billions of dollars of lost revenue will in effect be transferred from national priorities to swell the after-tax income of "large and profitable businesses."

Other elements of the AFL-CIO plan included repeal of loopholes Congress punched in the oil windfall profits tax last year, modification of estate and gift tax provisions and closing of some of the more notorious tax loopholes involving foreign tax credits and deferral privileges for multinational corporations.

Denison strongly urged Congress to repeal a section of the tax law scheduled to take effect in 1985 which would reduce taxes each year on the basis of an inflation index.

"That provision would amount to a permanent and continuing erosion of the tax base," Denison warned.

HE AGREED that the AFL-CIO's tax proposal is ambitious.

"It calls for a complete reversal of the tax policies of the past year," he said, "a recognition that a major error was made" and the willingness to correct it.

Such a bold change of course must be undertaken, he urged. As the AFL-CIO sees it, "the crazy quilt combination of the Reagan Administration's huge tax cuts, dismantled programs and sky-high interest rates is the direct cause of the present deep recession" and the accompanying joblessness and budget deficits.

Further, Denison observed, the imbalances of the Reagan program have weakened the ability of the economy to rebound.

He reiterated the AFL-CIO's proposal that any increases in defense spending that Congress deems necessary should be separately financed by a progressive surtax on both individuals and gross corporate earnings.

"IN THIS way, defense needs can be met without adding to the federal deficit or cutting food stamps, unemployment benefits, job and training programs, mass transit or other already battered social programs," he testified.

Denison stressed the AFL-CIO's belief that "the American economy can sustain a strong national defense without short-changing vital social programs that reflect the values of our society."

Instead, he said, "the Administration's policies have set up a destructive guns-versus-butter debate."

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3/20/82

Public Sector Wage Boosts Average 7.8%

State and local government workers covered by union contract settlements reached last year received wage and benefit increases averaging 7.8 percent in the first year of the agreements, the Bureau of Labor Statistics reported.

This was a gain over the 1980 first-year average adjustment of 7.3 percent. Wages alone increased an average of 7.4 percent in the first contract year and 7.1 percent annually when measured over the life of the agreement. In 1980, the levels were 7.5 and 7.8 percent, respectively.

THE BLS DATA on state and local government collective bargaining agreements cover 1,006,000 employees in bargaining units with at least 5,000 workers. There are 82 such units, accounting for about one-fourth of all state and local government employees under negotiated agreements. Data were reported on 43 settlements reached during 1981.

Not all the 1981 pacts provided for wage increases, BLS noted. Workers employed by the city of Detroit agreed to a two-year freeze to ease the city's financial problems and also to rescind provisions for deferred wage increases scheduled under a 1980 agreement. Chicago school teachers agreed to a one-year wage freeze, but the city assumed the teachers' share of pension plan costs.

BESIDES information on compensation adjustments under new settlements, BLS also provides data on deferred adjustments under previously negotiated pacts and cost-of-living clauses. BLS said two of three 1981 settlements dropped COL provisions included in previous agreements, while a COL clause was introduced in another contract.

The agency said 32 percent of the workers covered by the 1981 settlements were in the West, 27 percent in the North Central region, 22 percent in the Northeast, and 19 percent in the South. The contracts were about equally divided between state and local government workers.

Gasoline Prices Pace Decline in Wholesale Index

Prices at the wholesale level edged down one-tenth of 1 percent in February as large decreases in energy prices and declines in automobile and truck prices more than balanced a half-percent increase in food costs.

Gasoline alone was 2.7 percent cheaper in February, and all energy products together fell 1.8 percent in price, the Bureau of Labor Statistics reported. Autos went down 1.3 percent, and light truck prices fell 7.9 percent for the month.

The overall drop in the government's monthly producer price index was the first decline in the measure since February 1976. The wholesale inflation rate is generally an advance indicator of inflation levels for consumer goods.

SOME ANALYSTS regarded the February dip as a fluke caused mainly by the month's rebates on cars and trucks. Others pointed out that the Reagan recession, which has thrown millions of Americans out of work, has caused a slackening of demand making it difficult for suppliers to mark up prices.

The increase in food prices of five-tenths of 1 percent followed a much steeper rise in December of 1.1 percent. Fish, cooking oils and vegetables were cheaper for dealers than the previous month, and refined sugar—one of the most widely used ingredients in processed foods—went down in price by 3.9 percent, BLS reported.

Some foods bucked the moderating trend, however, with eggs increasing in price by a huge 8 percent for the month. Price increases accelerated for other dairy products as well as beef and veal.

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New Food Stamp Cuts Denounced

The Reagan Administration's proposals for a new round of food stamp cutbacks is "unconscionable" and should be rejected by Congress, the AFL-CIO urged.

Heavy cuts imposed last year ended food assistance for a million low-income recipients, and another million had their benefits reduced. Families of strikers were disqualified without regard to need.

FEDERATION Legislative Rep. Kenneth Peterson urged a House Agriculture subcommittee to block the further reductions sought by the Administration, which would eliminate or reduce assistance to 94 percent of "working poor" and to 92 percent of the elderly and disabled recipients.

PETERSON NOTED that the proposal for further cuts in food stamps comes at a time when unemployment insurance has been curtailed, employment and training programs have been cut back, and joblessness has been growing. At the same time, the Administration is proposing other cuts in the so-called safety net, including reductions in Medicaid and other services to the neediest families.

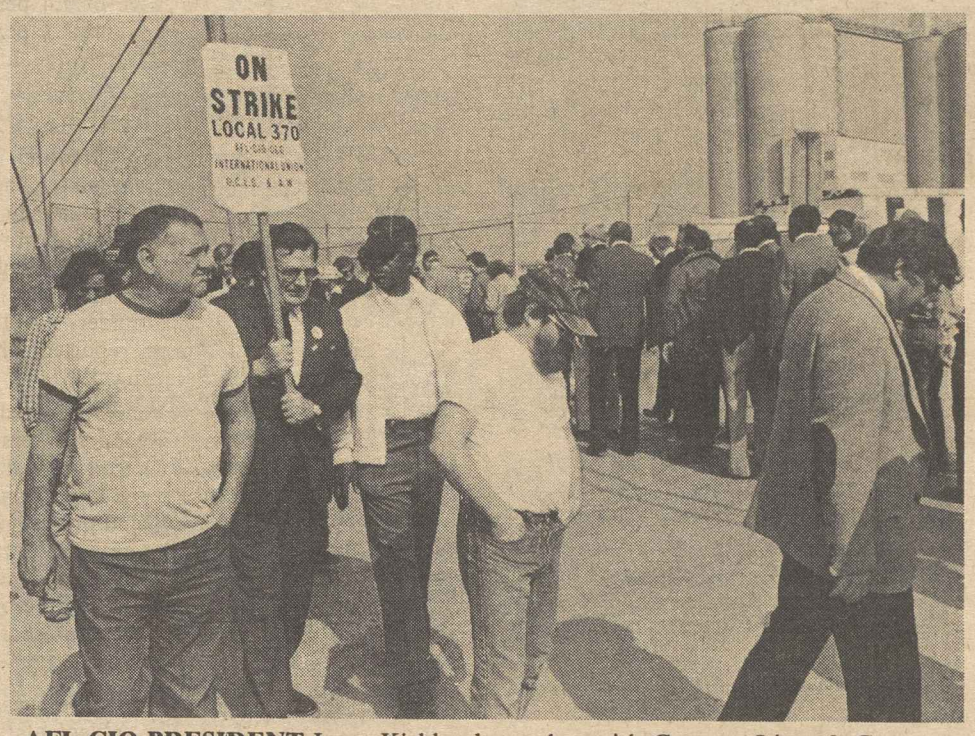
Last year's cuts so penalized the working poor that many families would be better off subsisting entirely on welfare, Peterson testified. And the proposed new cuts, he warned, would further "penalize" work.

"As public policy, this reversal of incentives toward work is outrageous," Peterson protested.

"WORK EFFORTS of these families should be supported, not undercut," he urged. "The Administration is reducing the likelihood that they will ever be able to work their way out of poverty."

The AFL-CIO testimony fingered as

(Continued on Page 8)



AFL-CIO PRESIDENT Lane Kirkland marches with Cement, Lime & Gypsum Workers at the Kosmos Cement plant outside Louisville, Ky. Kirkland led a busload of delegates from the AFL-CIO regional conference to the picket line. Kosmos is the target of an AFL-CIO-endorsed boycott. **(Story, Page 3.)**

OSHA's Chemical Labeling Rule Hit As Weak, Limited

By John R. Oravec

The Reagan Administration has proposed a long-delayed toxic chemical labeling regulation—now dubbed the "hazard communication" standard—that would provide factory workers only limited access to information about dangerous substances they encounter on the job.

The AFL-CIO immediately branded the proposal inadequate because of its narrow coverage and its failure to assure detailed labeling data. Unions have been fighting for a strong "right-to-know" standard on chemical hazards since the early 1970s.

THE NEW Occupational Safety & Health Administration proposal, which had been bottled up by the Office of Management & Budget for several months, is a cut-rate version of the toxic labeling standard that emerged during the last days of the Carter Administration.

By revising provisions and coverage, OSHA Administrator Thorne G. Auchter said, the new proposal will save employers billions of dollars from what the Carter plan would have cost them.

Coverage of the new proposal would extend to only about 14 million workers in manufacturing, AFL-CIO Occupational Safety Director George H. R. Taylor noted, leaving out many millions more workers in construction, service trades, mining, farming and the transportation industries.

ANOTHER SERIOUS shortcoming of the proposal, Taylor warned, is the extensive leeway given to chemical manufacturers in the guise of protecting their trade secrets.

Chemical firms would be able to exclude from detailed information almost any substance they deem to be a trade secret except widely known cancer-causing agents or chemicals that can lead to birth defects or malfunctions.

AS OUTLINED by OSHA, the assessment of hazardous substances would be left to the chemicals' manufacturers who would be required to provide the information to their workers and to firms that use the substances. Those employers would then pass on the information to their workers.

Under the proposal, labels on containers would be limited to a hazard warning—such as whether a substance is flammable—and a brief chemical identifier. Workers handling the substance would have to refer to a master safety data sheet to get detailed information about the substance.

Exempt from coverage even in manufacturing facilities are pipes and support systems that transport hazardous substances. Also exempt are importers of hazardous chemicals.

TAYLOR POINTED out that while the proposal provides for education and training of workers on hazard information, OSHA has not offered any guidelines on how extensive these programs should be.

He said the AFL-CIO and union affiliates would spell out their concerns over the diluted provisions at OSHA hearings scheduled to open June 15.

Chemical manufacturers and other industry groups had vehemently opposed the original labeling standard drafted by the Carter Administration. It was withdrawn

(Continued on Page 2)

On Commuter Lines

Court Rejects State Bid To Outlaw Rail Strikes

State-owned railroads and their workers are subject to the federal Railway Labor Act and those workers can't be barred from striking by a state law, the Supreme Court ruled.

Its unanimous decision upheld the position taken by the AFL-CIO in a brief supporting the right of the United Transportation Union and its members to strike New York's Long Island Railroad. The railroad is primarily a commuter line which the state had acquired in 1966 to avoid abandonment of service.

SUCH PUBLIC acquisitions of commuter railroads are increasingly common, so both labor and public agencies had looked to this case as an important precedent.

The Metropolitan Transportation Authority, the public agency that owns the railroad, sought to use New York's punitive Taylor Act to prevent a scheduled strike in 1980—despite the fact that the union had complied with all provisions of the Railway Labor Act, including two "cooling off" periods.

The MTA contended that the state interest in preserving commuter services outweighed any federal interest in the railroad as a link to interstate commerce.

IT INSISTED that a Supreme Court precedent involving a California law didn't apply because the railroads involved in that case were primarily freight carriers.

Most significantly, the state-owned railroad sought to get the Supreme Court to broaden the applicability of its 1976 decision voiding an attempt by Congress to apply federal wage-hour standards to most city and state employees.

A federal district court rejected the state arguments, but the 2nd Circuit U.S. Court of Appeals upheld the state's claim that the Taylor Act barred a strike.

CHIEF JUSTICE Warren E. Burger, writing for the unanimous Supreme Court, struck down all of the public management arguments.

He said the wage-hour ruling, generally referred to as the National League of Cities case, held that only areas of traditional state functions are immune from federal regulation. Clearly, he said, "a railroad engaged in interstate commerce is not an integral part of traditional state activities. . . . Federal regulation of state-owned railroads simply does not impair a state's ability to function as a state."

The decision cited the long history of federal regulation of the nation's railroads, including the adoption of the Railway Labor Act in 1926.

"There is no comparable history of state regulation of railroad collective bargaining," the decision noted.

(Continued on Page 3)

Housing Measure Pressed to Lift Sagging Economy

A labor-supported legislative package designed to overcome a critical shortage of affordable housing can also help pull the nation out of recession, the AFL-CIO testified.

The federation endorsed key ingredients of a comprehensive housing bill introduced by Rep. Henry B. Gonzalez (D-Tex.), whose subcommittee has jurisdiction over most housing-related legislation.

IT ALSO supported the intent of a housing-related banking measure sponsored by Rep. Fernand J. St Germain (D-R.I.), who is chairman of the full Banking, Finance & Urban Affairs Committee.

Henry B. Schechter, who testified as director of the AFL-CIO Office of Housing & Monetary Policy, also urged renewal of the Credit Control Act, which otherwise will expire at the end of June. The law

(Continued on Page 3)

Houston Organizing Project Building Early Momentum

Houston—More than 2,000 area workers have joined or rejoined Houston unions under the cooperative organizing effort begun in this booming "corporate city" last October.

Working with the Houston Organizing Project, the Houston Federation of Teachers developed a drive in which more than 1,200 secondary school teachers rejoined the HFT and 500 other teachers became new members of the local.

PROGRESS ALSO includes a victory in the first representation election under the auspices of the project as Carpenters Local 2437 won the support of 80 percent of a 26-person unit at Brand Export Inc., a shipping crate manufacturer.

Despite the strong opposition of labor management consultants and the prevalent propaganda about the Sunbelt, the organizing efforts are beginning to show other results.

Eighteen contractors have signed agreements with the Houston District Carpenters Council. Executive Sec. Paul Dobson said this has brought the addition of more than 300 new members to the council's affiliated locals during the past several months. In the last three months alone, between 75 and 100 new members have also been added by industrial affiliates.

DOBSON ALSO reported there are almost daily inquiries from local contractors seeking information about agreements with local unions. Recently, he says, in response to advertising by the Carpenters, one contractor called claiming he wasn't even aware a union existed, and immediately decided to reach an agreement with the appropriate local union.

In another development, the Steelworkers soundly defeated a decertification attempt at Flexitallic Inc., an oil industry equipment manufacturer. The USWA currently has more than half a dozen organizing efforts in progress.

MORE THAN 60 organizing drives are under way as part of the joint Houston Organizing Project, in which some 30 international unions and their local affiliates are participating. The project began as a response to the needs of local unions in the area. It is patterned on the successful Los Angeles-Orange County Organizing Committee established more than 19 years ago.

Trade Concessions Hit in Caribbean Aid Plan

The AFL-CIO urged Congress to help the Caribbean Basin nations through direct economic aid, but not trade and tax concessions that will wipe out U.S. jobs.

A House Ways & Means subcommittee is considering the Administration's proposal for direct aid, investment tax incentives and the free trade feature that President Reagan termed the "centerpiece" of his plan. It would allow almost all imports from 28 Caribbean and Central American nations into the United States duty-free. The only exception would be textile and apparel imports regulated by existing international agreements.

AFL-CIO Legislative Rep. Stephen Koplan noted that most products from these nations already enter the United States duty-free under existing tariff concessions granted to less developed countries. There are only minimal safeguards against harm to U.S. industry and jobs.

The Administration proposal "would sweep away these protections, minimal as they are," Koplan protested. Further, by requiring that only 25 percent of the imported product be of Caribbean origin, "a flood of imports worldwide can be funneled through any one or any combination of these 28 Caribbean Basin countries," he pointed out.

THE AFL-CIO testimony termed it "mystifying" that the new trade incentives are being proposed when the United States already has a $3.2 billion trade deficit with the Caribbean Basin countries.

With unemployment in the United States close to 9 percent, "such incentives for further increases in unemployment must be rejected," Koplan declared.

He termed the proposed tax incentives for U.S. investments in the Caribbean "equally astounding," especially since the Administration has decided that the United States can no longer afford to pay trade adjustment assistance to U.S. workers displaced by imports. The revenue loss from the proposed tax concessions, he noted, would have paid for continued trade adjustment aid. Yet its purpose "is to further the flight of business from the United States."

Nevertheless, Koplan testified, "the AFL-CIO does support direct economic assistance in the form of a supplemental appropriation for the countries in this region desperately in need of help."

THE PRESIDENT'S request for an immediate $350 million should be "carefully scrutinized to determine whether that amount is appropriate" for the balance of the fiscal year, Koplan said.

The subcommittee also heard Arthur Gundersheim, international trade affairs director of the Clothing & Textile Workers, who stressed labor's concern about the "one-way trade" envisioned in the President's program.

"Labor wants to help in this new initiative," he testified. But it can't go along with a new trade arrangement that would result in the closing of U.S. plants or impose an inequitable burden on one segment of the economy.

WHILE TEXTILES and apparel are not directly affected, ACTWU represents workers in leather apparel and footwear who would be vulnerable, Gundersheim told the panel.

In the present economy, under the policies of this Administration, he noted, "there is no one to bear the burden of increased domestic unemployment created by the Caribbean Basin initiative but the workers themselves."

HISTADRUT'S HUMANITARIAN award recipient, AFL-CIO Sec.-Treas. Thomas R. Donahue, is congratulated at a New York reception. Joining in the tribute are Federation President Lane Kirkland and Vice Presidents Sol C. Chaikin, second from left, and John J. Sweeney. The award was presented by the National Committee for Labor Israel and the American Trade Union Council for Histadrut.

Donahue Questions Premise Of Reagan Policy Decisions

New York—AFL-CIO Sec.-Treas. Thomas R. Donahue charged that the Reagan Administration is in "disarray" in its handling of domestic and overseas issues.

"Those who are now in charge of national domestic policy," he said, "have abandoned the idea of social and national solidarity, of equal rights, equal justice and equal opportunity. On the international scene, avarice has muddied their perception of who the good guys are and who are the bad."

ACCEPTING THE 1982 Histadrut Humanitarian Award at a dinner here, Donahue said the heart of the differences between the AFL-CIO and the President is their total disagreement on what government is for. He said supporters of the President "appear to be wedded to the view that government is not the property of those governed, but the private property of those who happen to control it."

This means, he added, that instead of government bringing the people together it is driving them apart, dividing them along lines of economics, race, sex, age and any other lines in which wedges can be driven.

In foreign affairs, Donahue said President Reagan allows narrow, mercantile interests to dominate foreign policy.

"He is permitting international bankers and multinational profit seekers to compromise our national interests," Donahue said, "and to collaborate, for the sake of short-term gains, with those who would deny human rights and crush the hope of freedom."

IN THE Middle East, "Mr. Reagan has missed few opportunities to reward Saudi Arabia, the ringleader of the gang of OPEC extortionists," Donahue said. He cited the recent Saudi record of demanding more sophisticated arms from America and then jacking up the price of oil after the arms were delivered.

He also attacked the Administration's claim of a partnership with Saudia Arabia even though the Saudis refuse to allow American soldiers on their soil and have challenged the right of the U.S. Navy to sail in that part of the world.

"When a country says that Israel is its enemy and Soviet Russia is not, how can it be a friend to the United States?" Donahue asked. He noted that in all the Middle East the free and vigorous trade union movement with which American labor can most identify is in Israel, while "union activity is as illegal in Saudi Arabia as it is in Poland or Russia."

DONAHUE concluded with the statement that the federation will make every effort to see that the country gets a new set of senators and representatives this year and a new Administration in 1984.

"Meanwhile," he said, "we'll hold our ground beside Histadrut and beside free trade unionism throughout the world."

Joining the tribute to Donahue by the National Committee for Labor Israel and the American Trade Union Council for Histadrut, AFL-CIO President Lane Kirkland cited the historic ties between the AFL-CIO and Histadrut.

The evolution of the Israeli state, Kirkland observed, demonstrates the link between freedom of association and political democracy. He added that in shaping the State of Israel, Histadrut required a government which guaranteed the rights of plain people, while the American labor movement has always struggled to extend political democracy and make government more responsive to the will and needs of the people.

KIRKLAND CITED the contrast with communists and fascists united in the belief that the sole proprietor of the people's interest is the state and that freedom of association is inherently reactionary. He noted that the members of their privileged classes are staunch defenders of their system.

"We have difficulty understanding some of those who benefit most from our system," he added, pointing to statements by a Citibank vice president and Chase Manhattan Bank's David Rockefeller that their banks will do business with any government, "as long as it pays its bills."

Kirkland said the American labor movement is from a different school: "We support Histadrut for the same reason we support Solidarity in Poland and the trade union movement of El Salvador."

Task Force Findings Support Concerns of Air Controllers

A special government task force set up a few days after the start of last year's air traffic controllers strike warned that many of the conditions that led to the strike continue to exist.

"Most factors that had caused problems in the past are reasserting themselves, and the Federal Aviation Administration seems headed toward more people-related problems in the future," the three-member group said in its report.

OFFICERS OF the Professional Air Air Traffic Controllers Organization said the task force's findings bear out the assertions of PATCO members concerning the work environment within the FAA's air traffic control system.

The task force, headed by Lawrence Jones, president of the Coleman Co. in Kansas, said several factors led to deteriorating relationships between FAA managers and controllers, including increased "peak-time" air traffic that led to anxiety during peak periods and dissatisfaction during the valleys.

Other factors that created tension between managers and controllers prior to the Aug. 3, 1981, strike included inadequate systems to select and train managers, rigid management attitudes, and a "pervasive" attitude that the FAA had "little concern" for its employees.

JONES SAID the task force concluded that the 11,500 controllers who went on strike last year did so because of factors other than the hope of winning higher salaries. Economic considerations, Jones told reporters, "did not seem to be a driving motive in any way."

The $600,000 study, called for by Transportation Sec. Drew Lewis and FAA Administrator Lynn Helms, contradicts what the FAA has professed since it fired the striking controllers—that PATCO was responsible for the ill feelings at air traffic control facilities, the union said.

The task force determined that "morale within the air traffic and airway facilities divisions of the FAA is not good. It is, in fact, very poor."

PATCO President Gary W. Eads said the union "remains of the opinion that the quickest resolution and the most practical resolution to this labor-management crisis is the immediate reinstatement of all the fired air traffic controllers to their former positions.

"THIS REINSTATEMENT is necessary if the FAA is truly committed to its position of returning a sense of normalcy to the air traffic system in this country."

The major recommendations of the task force report "coincide dramatically" with the concerns voiced by PATCO through the years, Eads said.

The 149-page report listed 13 key recommendations for improving working conditions for controllers.

THEY INCLUDE improving the quality of FAA managers and supervisors, permanently adjusting the daily flow of air traffic into high-volume airports to reduce the peak periods and thereby reduce pressure and anxiety for working controllers, closer communication between the FAA and user groups, and the development of a new set of work rules to replace the collective bargaining agreement between the FAA and PATCO.

President Reagan fired all controllers who participated in the walkout, and the union's certification as the spokesman for the controller workforce was revoked by the Federal Labor Relations Authority.

OSHA's Chemical Labeling Rule Hit As Weak, Limited

(Continued from Page 1)

shortly after the Reagan Administration took office.

Since then, 10 states and a handful of cities have adopted worker right-to-know laws at the behest of union grass-roots lobbying. Similar measures are pending in about 20 more states and two cities.

FACED WITH the strong possibility that state and local regulations could be lot stiffer than those the Administration would implement, chemical manufacturers reversed their position and came out in favor of a federal standard.

At congressional hearings earlier this month, Taylor charged that the Administration "resurrected the federal proposal not to protect workers but to pre-empt local laws."

But he questioned the OMB's heavy-handed role in the development of the OSHA draft, noting that the White House budget office even rejected the diluted version on the grounds that the safety agency failed to make an adequate case for the need of the regulation and that the benefit analysis was insufficient.

In the absence of an effective federal standard, Taylor said unions would continue to seek enactment of stronger regulations at the state and local level.

Housing Bills Backed as Aid To Economy

(Continued from Page 1)

gives the President authority to channel available credit into productive uses and thus ease pressure on interest rates.

The Gonzalez bill includes additional authority for public housing construction and other existing programs which the Reagan Administration wants to scrap.

It would also activate a dormant program of federal subsidies for home purchases by families with incomes up to 130 percent of the national average, holding their payments to the equivalent of a 9.5 percent interest rate.

SCHECHTER SAID the AFL-CIO especially welcomes a companion provision for subsidized rental unit construction targeted to areas of greatest need. But he urged that more than the 20 percent share provided in the bill be earmarked for families with incomes not higher than 80 percent of the local median. The percentage of rental housing in the overall package should also be increased, Schechter said.

The bill also includes emergency mortgage assistance, so that home owners who lose their jobs won't also lose their homes if they can't meet mortgage payments. The recipients would be required to repay the funds advanced by the government to avoid foreclosure.

Schechter proposed tightening of some sections of the St Germain bill, to assure that savings institutions helped by federal loan guarantees to stave off collapse do in fact earmark half of new deposits for mortgages at reasonable interest rates. He said the institutions should be allowed to use up to 25 percent of net new deposits to finance rental housing.

All of these approaches, he testified, are among the "much-needed" steps that should be taken "to deal with the home building and home financing crisis which threatens to atrophy our housing supply and to lead to widespread financial instability, greater unemployment and prolongation of the economic recession."

Indicators Show Further Plunge In Total Output

Preliminary estimates of the current quarter's economy point to another 4.5 percent decline in real gross national product, a steeper drop than the Administration had been anticipating.

The gloomy prediction of the economy's direction—a percentage point or more worse than most analysts expected—is based on partial data for the first three months of this year, a period marked by bad weather and continuing recession.

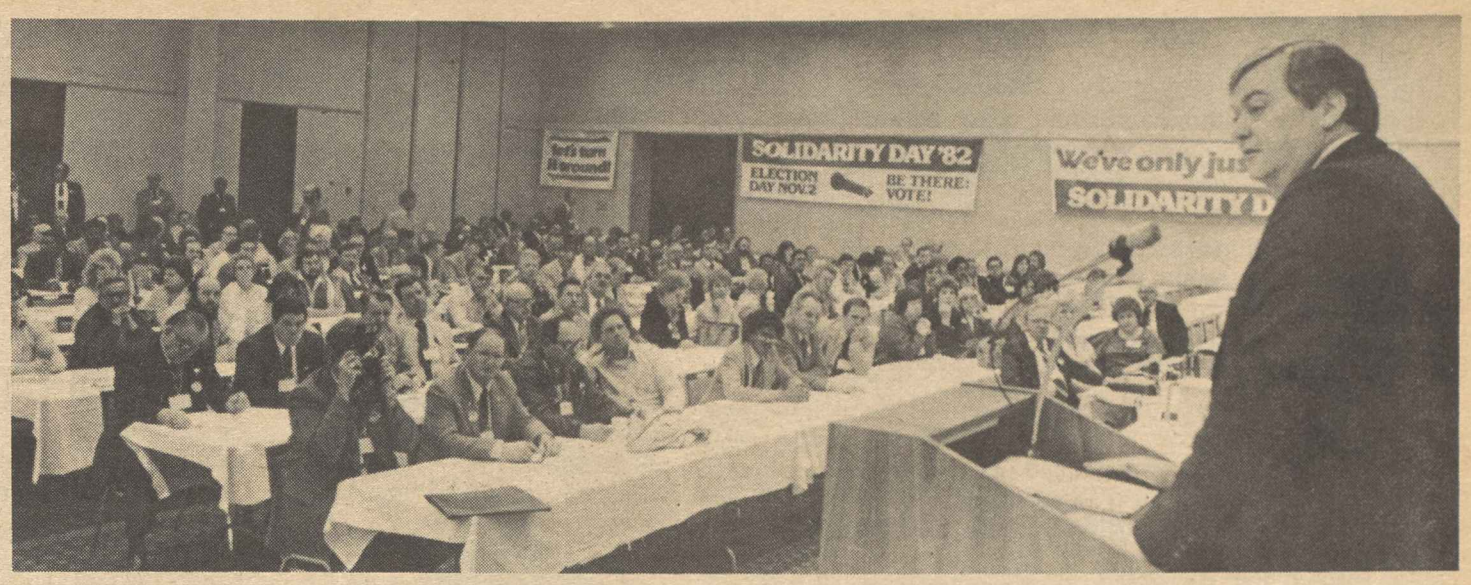
THE COMMERCE DEPT.'S "flash" estimate of real GNP—the value of the nation's total output of goods and services adjusted for inflation—came at a time the department reported a revised 4.5-percent contraction in the fourth quarter of 1981.

For all of 1981, real GNP rose 2 percent, including an unusual rise of 8.6 percent in the first quarter, a 1.6-percent decline in the second, and a 1.4-percent rise in the third.

If the government's estimate of the current quarter's economic activity is borne out, the recession that began last July could rank among the most severe since World War II.

THE NEW government figures show that businesses are making a determined effort to unload unsold merchandise, but that consumers—many of them thrown out of jobs by the recession—are unable to buy.

"The major source of weakness in real GNP is a significant liquidation of business inventories . . . considerably larger than was generally expected at year's end," Assistant Commerce Sec. Robert Detrick said. He predicted that sales will show a slight increase in the current quarter.



COPE DIRECTOR John Perkins leads off the political rally in Louisville, Ky., on the closing morning of the AFL-CIO regional conference. Louisville was the second of the seven 1982 conferences, with Phoenix and Seattle scheduled for the week starting Mar. 29 and Birmingham and Houston for the week starting May 3.

Radio News Service Offered by AFL-CIO

The AFL-CIO radio news recording service is now available, toll-free, from any location in the continental United States at (800) 368-5744.

Local unionists can refer reporters to the toll-free number for actualities of AFL-CIO officers or other federation officials on breaking news such as unemployment statistics or other major anouncements. Reporters in the metropolitan Washington, D.C., area should call 638-4821.

State Can't Bar Railroad Strike, High Court Rules

(Continued from Page 1)

In even more explicit terms, it cited the conclusion of Congress that "the most effective means" of avoiding disruption of railroad service is by "facilitating free collective bargaining between railroads and the labor organizations representing their employees."

And while the process established by Congress doesn't prohibit strikes, it provides layers of mediation and cooling-off periods to give every opportunity for a settlement, the court observed. It noted that the state agency had used Railway Labor Act procedures up to the eve of the strike.

"To allow individual states, by acquiring railroads, to circumvent the federal system of railroad bargaining," the court held, ". . . would destroy the unformity thought essential by Congress and would endanger the efficient operation of the interstate rail system."

Picket Line Visitors Bolster Embattled Cement Strikers

Kosmosdale, Ky. — Cars and pickup trucks lined the side of Dixie Highway 20 miles south of Louisville because the word was out: AFL-CIO President Lane Kirkland was coming to join the picket line.

"Twenty-five years and not a bit of trouble here in our bargaining all that time," said one of the strikers after Kirkland did arrive. "But then the Kosmos plant was sold to Moore McCormack. Ten months is a long time to strike, and it hurts."

MOORE McCORMACK Resources Inc. owns steamships, among other things, and has invested heavily in oil and natural gas holdings in Louisiana and Texas and in the coal, iron ore, and steel industries. It bought the Kosmos Cement Co. in December of 1980 and began immediately to rescind the existing contract, which didn't expire until May 1981.

"It wasn't hard for them to set up for our strike because most of the jobs are unskilled," said another of the strikers, a black man who said he was offered unlimited overtime and other incentives if he won't stay in.

He said there were only about six highly skilled operators like himself among the day shift of 57. "They filled those jobs with personnel supervisors, then recruited a lot of scabs out of Indiana."

IN ALL, there were 180 working the plant's various shifts when the strike started May 8, 1981.

But Moore McCormack didn't count on the solidarity of Local 370 of the Cement, Lime, Gypsum & Allied Workers, which has 147 pickets going around the clock. The company hasn't been able to keep more than 90 scabs working at the plant and the nearby quarry. CL&GW President Thomas Miechur said the Kosmos boycott, approved by the AFL-CIO Executive Council at its February meeting, is the first such request in the 43-year history of the union.

The strikers are very aware of the boycott, and hoping it helps—just as they were buoyed by the visit from Kirkland, AFL-CIO Sec.-Treas. Thomas R. Donahue, Bakery, Confectionery & Tobacco Workers President John DeConcini and some 18 leaders of state federations and other AFL-CIO officers attending the regional conference in Louisville.

ALL THREE Louisville TV stations were present when Kirkland stepped off the bus, and every striker had ample time to meet him during the hour he marched on their line. Most in evidence were the members of Women's Awareness, an organization of strikers' wives and family members in bright blue CL&GW windbreakers. They yelled greetings back at passing cars who honked support of the strike.

"President Kirkland, we can never thank you enough for coming," said one of them.

"Sister, it's like going to church. It's good for my soul, too," he replied.

5,000 LETTERS signed by Ashland, Ky., trade unionists voicing strong opposition to a "right-to-work" bill in the state legislature are packaged by union volunteers at the Steelworkers hall in Ashland. The signatures were gathered in a two-day drive spearheaded by the Ashland Area AFL-CIO and hand-delivered to members of the House Labor Committee in Frankfort. Area AFL-CIO President Michael Blevins reported that Gov. John Y. Brown assured union representatives he would veto the bill if the legislature passes it.

3 Congressmen Upset in Illinois Primary Elections

Three incumbent congressmen lost their bids for renomination in the Illinois primary elections, the first in the nation, as redistricting changed the state's political map.

In the new 4th District, two right-wing incumbents competed for the GOP nomination. The winner was George M. O'Brien, who had more of his former constituency in the new district. He beat Edward J. Derwinski, who had served in the House for 23 years. The district is considered safely Republican.

A realignment of district lines also was a factor in the defeat of Republican Tom Railsback, a moderate who is serving his seventh term in the House. He was beaten by a New Right challenger, Kenneth G. McMillan, a 39-year-old state senator. But the result could tilt the district, which includes industrial Rock Island County, to Democrat Lane Evans in the general election.

INTRAMURAL Democratic battles led to the defeat of 70-year-old John G. Fary by William O. Lipinski, a 44-year-old Chicago alderman. But another Chicago Democrat facing stiff opposition, Gus Savage, won renomination for a second term with less than 39 percent of the vote in a four-way race. The mostly black district is considered safely Democratic.

In the gubernatorial primary, incumbent Republican Gov. James R. Thompson easily won renomination. Former Sen. Adlai E. Stevenson III was unopposed for the Democratic nomination for governor.

The Heart of the Matter

IN IRELAND, in the Middle East, and in too many places even in our own hemisphere, children today know far too much about bombs and plastique, about poverty and pestilence, about terror and death. They know far too much about human hatred.

But in all of those places, there remains the faith that unity and cooperation and mutual effort among free and equal human beings can overcome the forces of hatred. That is the faith that is shared by Histadrut and the AFL-CIO. It is the central theme and guiding principle of free trade unionism, and it is the principle that free nations must learn to act upon if they hope to remain free.

The United States is in some disarray on this and several other issues. Those who are now in charge of national domestic policy have abandoned the idea of social and national solidarity, of equal rights, equal justice and equal opportunity. On the international scene, avarice has muddled their perception of who the good guys are and who are the bad.

Many differences exist between the AFL-CIO and the Reagan Administration on tax justice, fiscal and monetary policy, industrial policy, foreign trade, public health, public education, public works, public welfare and so on.

THE HEART OF the matter is our total disagreement on what government is for, what is its essence, its role. We are unable to free ourselves of the belief that the job of government, as a human institution, is to conserve and improve the conditions of human life. We see government as an ennobling force—able to offer hope and help. Mr. Reagan appears to be unable to understand that.

His supporters appear to be wedded to the view that government is not the property of those governed, but the private property of those who happen to control it.

Instead of bringing the people together, they are driving them apart, dividing them along economic lines, racial lines, sex lines, age lines and along any other lines in which wedges can be driven.

In freeing some of the people from "excessive government control," this Administration is freeing them to exercise, as excessively as they like, the power of accumulated wealth against their neighbors. In freeing others of "excessive dependence" on their government, they are robbing them of the hope of becoming something more than objects to be manipulated at the whim of others.

IN SEEKING to dismantle federal programs in which all groups and all shades of opinion have been able to make themselves heard as integral parts of a whole society, Mr. Reagan is prepared to put those programs at the mercy of smaller, more disparate, more exclusive bodies that can be much more easily controlled by local powerful special-interest groups.

And in allowing narrow, mercantile interests to dominate foreign policy, he is permitting international bankers and multinational profit-seekers to compromise our national interests and the interests of our allies, and to collaborate, for the sake of short-term gains, with those who would deny human rights and crush the hope of freedom of men and women around the world—men and women who have a right to expect something more than indifference from the United States of America.

—AFL-CIO Sec.-Treas. Thomas R. Donahue, in accepting Histadrut Humanitarian Award, Mar. 20, 1982, New York.

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THOMAS R. DONAHUE, *Secretary-Treasurer*

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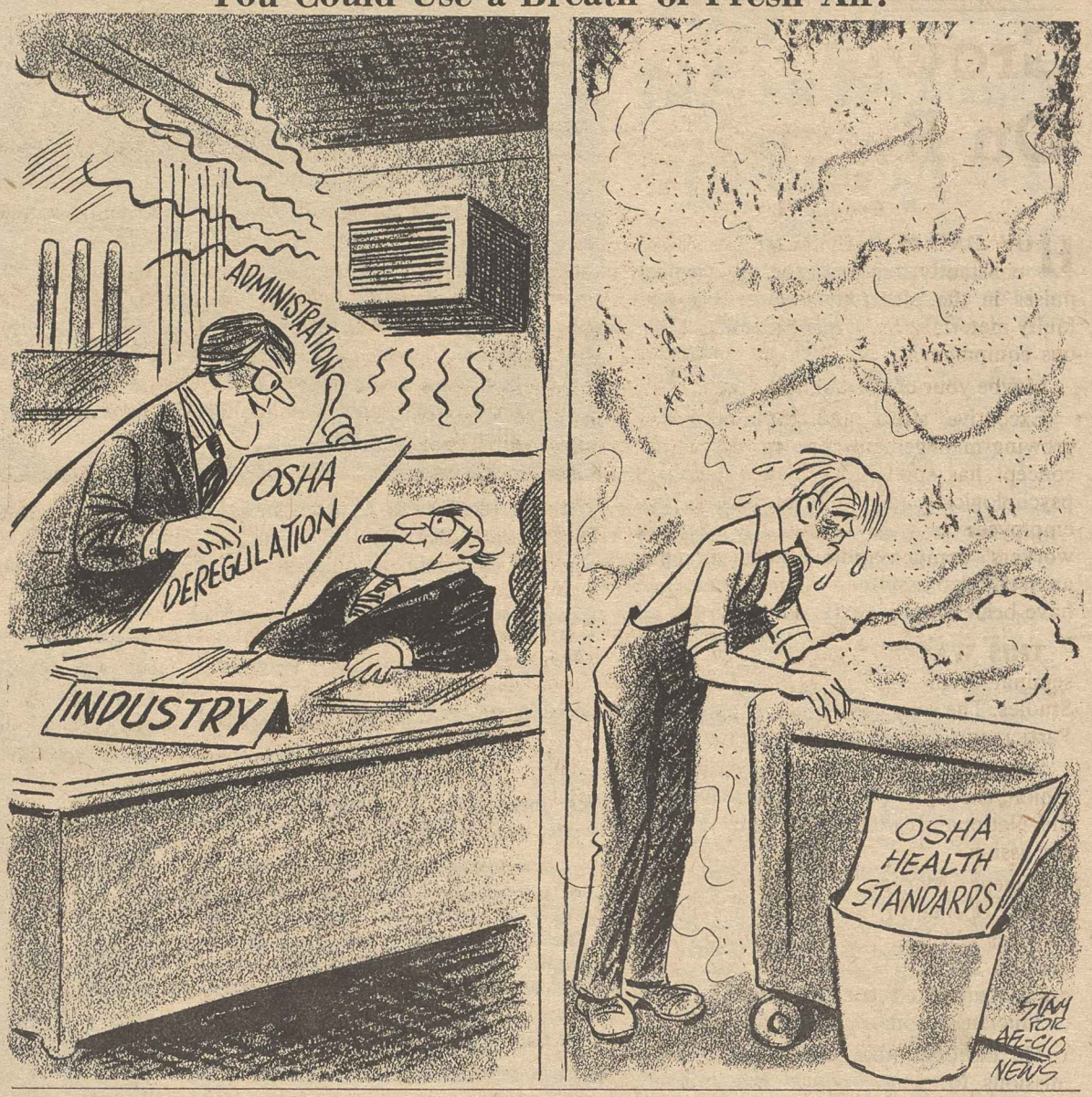

New Jersey Example Cited

'New Federalism' Experiment Adds to Burden on Individuals

By Gus Tyler

IF YOU WANT to know what's wrong with President Reagan's "new federalism," take a look at New Jersey. We pick that state not because it is different but because it is typical.

The New Jersey governor is the recently elected Thomas Kean. He squeaked into office over his Democratic opponent largely because Kean was perceived to be a "moderate," even a "liberal," Republican. He has just submitted his first tax and budget proposals to the state legislature.

His first problem is how to make the books balance in these difficult days. New Jersey, like most of the states in the union, has been hit by stagflation: economic stagnation and inflation. For his typical state, this means deficits: economic stagnation means that less will come in and inflation means that more will go out. So he faces a deficit of $657 million.

IN PAST YEARS, he might have turned to Washington for some assistance. But that would be somewhat futile under the new policy of reducing federal aid to the states and increasing state responsibilities for their own programs. That, after all, is what the "new federalism" is all about.

So, liberal Republican Thomas Kean submits his own solution for Jersey's economic plight.

Step Number One is to reduce corporate taxes. This will cost the state about $72 million dollars. That raises the deficit to $729 million.

"Why, oh why," ask the simple minded, "should any governor cut taxes at a time when the state is running in the red?"

KEAN HOPES to entice businesses from other states to relocate in New Jersey. New Jersey's rate will be the lowest in the region, underbidding New York, Connecticut, and Pennsylvania, according to the governor.

This means, of course, that businesses will leave the states surrounding New Jersey. The economy will bloom in the Garden State while the flowers wither in the neighboring gardens.

At some point, of course, New York will try to do to New Jersey what New Jersey is doing to New York. So New York will have to lower the tax rate on corporations to lure them back from across the Hudson River.

But as corporations pay less and less in taxes, the states—whether New Jersey or any other state—must impose taxes elsewhere to make ends meet. That's the other part of Kean's proposal:

- The 5 percent sales tax will now be extended to cigarettes and a new tax will be added to gasoline. So smokers and drivers get hit.
- New Jersey Transit will be required to raise all fares on trains and buses by 25 percent. So commuters and shoppers and people going to work will be hit.
- Tuition at the state universities—12 of them—will be raised by 10 percent. So students and their families will be hit—especially students who can not afford private school tuition fees.
- About 2,500 state employees will be fired. Retired teachers will have their pensions reduced by lowering the cost of living adjustment clause.

There's the "new federalism" in action.

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Making Poverty A Permanent State

When President Reagan submitted his fiscal 1983 budget to Congress, he proposed revisions in almost every major support program that offers assistance to the nation's low income and unemployed families.

He urged the nation "to weather the temporary dislocation and pressure that must inevitably accompany the restoration of national, economic, fiscal and military health."

For the nation's poor and unemployed, the results of the Administration's budget proposals are far worse than "temporary dislocations." Combined with program alterations enacted last year, the fiscal 1983 budget proposals make poverty a more severe and permanent condition for millions of low-income families, and seriously deplete the availability of assistance for the rapidly growing number of unemployed workers.

—From AFL-CIO testimony to a House Agriculture subcommittee on proposed cuts in the food stamp program, Mar 25, 1982.

Occupational Burnout

Growing Union Role Explored On Remedies for Job Stress

By Gordon H. Cole

HOW BAD IS the stress on your job? Are you constantly being bugged by a supervisor, by noises in the plant, by unclear assignments, by faulty materials, by sexual harassment, by dangerous equipment?

Maybe your union can help you.

Executive stress and burnout have been a growing management concern for years. Now the concept has spread that a workplace should be psychologically as well as physically safe for employees as well. About 15 states have paid workers' compensation benefits in cases where anxiety, depression or other mental problems have been caused by job stress.

THIS WAS THE lesson learned at a recent seminar at the George Meany Center for Labor Studies. The subject was "Stress as a Union Issue." Participants came from 12 unions in eight states.

Specialists for the Graphic Arts International Union, the AFL-CIO Industrial Union Dept. and the National Institute of Mental Health led the discussion.

Eugene Martin, stress project director for GAIU, opened the seminar by asking participants to guess which of seven occupations produced the greatest stress: telephone operator, clerical worker, pressman, electrician, mail carrier, electronic technician and management administrator.

He disclosed that this was the order of admissions to mental health hospitals of patients in these occupations.

MARTIN EXPLAINED that too little stress leads to boredom; too much to burnout. What the individual needs is balance, he said.

Dr. Elliott Liebow, an anthropologist and chief of the NIMH Center for Work & Mental Health, described job stress as a social or "systems" problem rather than a problem inside an individual.

He warned that stress at work carries over to home life, explaining that it can lead to trouble with the spouse, to diarrhea, skin rash, colitis, sleeplessness. A worker who suffers from job stress is just as much of a threat to the health of his or her family as a carrier of asbestos dust.

Workers tend to blame themselves for job stresses. They feel they're not man enough or woman enough to conquer what's bugging them, Liebow said. He suggested that unions could help by teaching their members that job stress is a collective experience, not an individual experience. The union can act as a support system by pressuring management to improve working conditions. People being driven crazy on the job don't make good employees or good union members.

The seminar was told that for more than 20 years people have been studying worker alienation, job absenteeism and productivity. Early studies identified most blue-collar workers as being alienated; more recent studies show most professional and white-collar workers as being alienated.

He suggested three reasons for the alienation:

- Workers do not participate in decisions that affect them.
- Workers are not appreciated for what they are and what they do.
- The work processes are not based on an interaction between people so that workers feel "validated" by the communication.

Of American management, Martin concluded, "I don't think they know how." He added, "American management has been unable to respond to these needs of their workers."

He charged management with "overstressing people," calling it "poor strategy for inducing productivity. Even if it was once an effective strategy, it isn't working now."

Martin's explanation: Most American managers have been brought up to function as authoritarians. What we prize in our society is competitive and aggressive behavior, not cooperative, nuturing, supportive behavior.

NO TEXTBOOK solutions for job stress were offered at the seminar. Among the several strategies proposed:

- Sell management on the real costs of stress in the workplace.
- Develop opportunities for consultation and communication between workers and management.
- Establish asylums — quiet rooms — in the plant where a worker can retreat for 10 minutes of peace at breaktime.
- Enlist the local mental health resources with the help of the union's community service program.

Jack Kain, director of GAIU's safety and health program, reported that of the eight subjects covered in 11 safety seminars, the session devoted to job stress has always been the most popular in the members' final evaluations.

Gordon H. Cole is an adjunct senior staff associate at the George Meany Center for Labor Studies.

Shrinking Federal Role

Mine Safety Inspection Cutback Deepens Concern of Workers

BUDGET AND POLITICAL maneuvering by the Administration and of Congress is raising questions among the nation's miners about the level of government concern for their health and safety.

That view was expressed in a network radio interview by top legislative representatives for the Steelworkers and the Mine Workers—two of the unions that represent the nearly one million men and women who work in both deep-shaft and surface mining operations throughout the country. USWA Legislative Director John J. Sheehan and UMW Legislative Manager John Jarvis stressed that consistent and close government scrutiny of the highly hazardous mining industry is critical to maintaining maximum possible safety.

Budget slashes that forced inspection cutbacks, restrictions against use of funds for sand, gravel and stone mine inspections, and attempts to shift large parts of mine safety responsibility from the Mine Safety & Health Administration (MSHA) to the Occupational Safety & Health Administration (OSHA) can lead to "a tragedy of confusion," Sheehan asserted.

He pointed out that "OSHA has no safety standards for sand, gravel and stone operations," and that OSHA officials have refused to perform any mine inspections.

Jarvis said the UMW has "serious reservations about the quality" of coal mine inspections under current Administration policies that have created confusion and low morale among MSHA's inspections in the field. "Most mine inspectors are very well trained; they're dedicated people and are trying to do a very difficult job," he declared. "But, they are human beings, and when their jobs are being threatened—whether the 'RIF' notice becomes a reality or not—it's bound to affect their performance."

JARVIS AND SHEEHAN urged the Administration to spell out a strong commitment to mine safety. They said the unions are pledged to every possible cooperation with management and government in that effort and will continue to be outspoken advocates for the need for federal inspections in these workplaces. Mining, whether surface or deep-shaft, they added, has unique problems and needs that are different from those in the production and construction industries that are the jurisdiction of OSHA.

Sheehan and Jarvis appeared on the AFL-CIO produced program Labor News Conference.

Washington Window

By Press Associates, Inc.

THE HOUSING INDUSTRY, a linchpin of the American economy, is in deep trouble.

In 1981, fewer new housing units were built than in any year since 1946. The 1.1 million units that were built were less than half of those needed to provide for new households and replace old housing.

Pounded by the current recession and continuing high interest rates, home construction will dip even further this year, predicts the National Association of Home Builders. The group's president recently told a congressional committee that "the housing collapse that we feared, but prayed would not occur, is upon us."

The American dream of home ownership has been put out of reach for all but a small minority of prospective buyers. Rental housing is shrinking, with the vacancy rate the lowest ever recorded.

THE PAST THREE years of depression in the housing industry has left nearly a million construction workers unemployed —a jobless rate of over 18 percent. An equal number has become unemployed in dependent industries ranging from lumber to home appliances.

Thus, about one out of four of the nation's jobless has been laid off from home construction or construction-related employment. Bankruptcies among home builders have become epidemic. Skilled trades workers have been forced out of the building industry—a costly waste of human and material resources.

Instead of stimulating housing production to remedy the serious shortage, the Reagan Administration is moving in the opposite direction.

The Administration's proposed budget for fiscal 1983 would eliminate almost all new federally assisted housing. The budget even calls for cancelling unused spending authority from prior years that would support new construction.

INSTEAD OF PROVIDING below-market interest rate financing to make new housing saleable and rentable, as has been done in past recessions, the Administration is cutting back longstanding programs. The authority of the Federal Housing Administration and the Government National Mortgage Association to insure mortgages is being curtailed.

In place of four decades of federal programs designed to stimulate the production of housing for low- and moderate-income families, the Administration wants to substitute a so-called rent voucher system for the poor.

With these vouchers, distributed on the basis of income, low-income families would compete for housing on the open market.

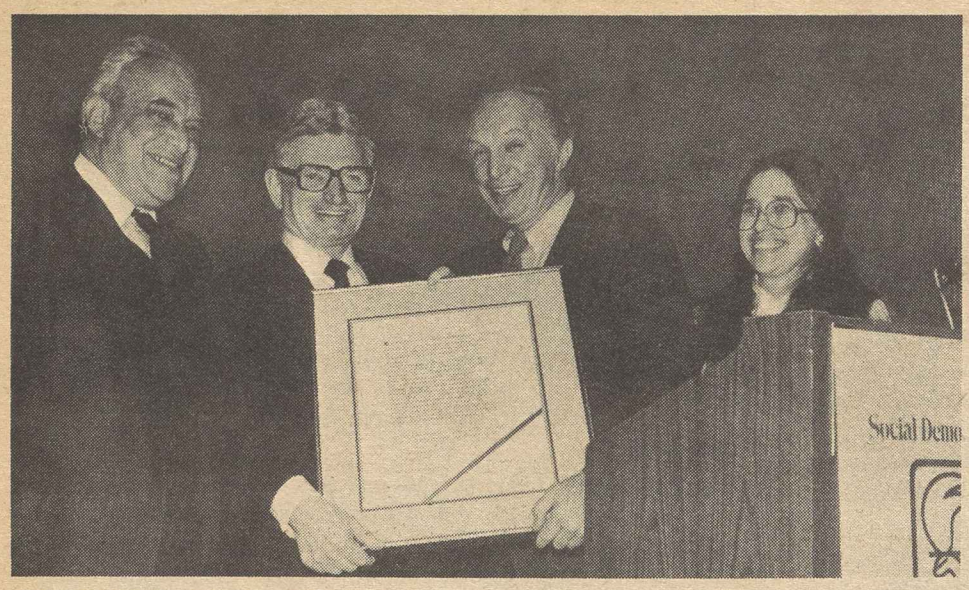
The Administration plugs its voucher system as being cheaper than subsidizing new housing. It fits nicely with its free market ideology. One advocate billed it as a bold new initiative "toward people, not toward structures."

BUT THE GENERAL Accounting Office, an investigative arm of Congress, came up with less rosy conclusions. The GAO reported that a voucher program could be "more expensive than new construction" in tight housing markets. The GAO added that such a program wouldn't address the special difficulties that poor families or black families headed by women sometimes face because of discrimination in the rental housing marketplace.

The GAO also noted that the voucher idea isn't new, but that opponents of public housing had advanced it as early as 1937.

Critics of the voucher proposal, which include organized labor, argue that it would do nothing to increase the supply of housing. They predict it would accelerate rent inflation by increasing competition in a tight rental market.

MINERS ARE getting distressing signals about the level of government concern for their health and safety from the budget and political jockeying of Administration officials and members of Congress, Steelworkers Legislative Director John J. Sheehan, second from left, and Mine Workers Legislative Manager John Jarvis, third from left, said on Labor News Conference. They were questioned by Curtis Riddle, of the Baltimore Sun and Lance Gay of the Scripps-Howard Newspapers. The AFL-CIO produced public affairs program is aired weekly on Mutual radio.



EUGENE V. DEBS AWARD of the Social Democrats, USA, is presented to President William Konyha of the Carpenters, second from left, by AFL-CIO Sec.-Treas. Thomas R. Donahue at a reception in New York. Joining in the tribute are AFL-CIO Deputy Organizing Director Don Slaiman and Rita Freedman, executive director of the Social Democrats.

Konyha Calls for New Effort To Reach Social Justice Goal

New York—There is still much to be done in the struggle for social justice that trade unionists Eugene V. Debs and Peter J. McGuire helped pioneer a century ago, President William Konyha of the Carpenters told the Social Democrats, USA.

Although today's society is far more complex than that of the 1880s, Konyha stressed that the philosophy that Debs and McGuire embraced remains sound in the 1980s. He made his comments in accepting the ninth Eugene V. Debs Award from the Social Democrats.

KONYA POINTED out that Debs and McGuire came into adulthood at a time of angry reaction to the severe hardships resulting from the Industrial Revolution—Debs as secretary-treasurer of the Locomotive Firemen and McGuire as secretary-treasurer of the Carpenters.

Debs went on to become a national leader in the American socialist movement. Fellow socialist McGuire made his mark in the trade union movement and as founder of Labor Day.

"I'm sure that both these pioneers would agree that a century later, the inheritors of their traditions have a lot more work to do," Konyha observed.

"OUR TRADE union movement, confronted by vast changes in our economy, needs to be able to organize more than 28 percent of the workforce," he stressed.

At the same time, Konyha said, Social Democrats would agree that "the idea of democratic humanism needs more support on the American political scene."

Konyha outlined current conditions at home and abroad that are undermining the continuing drive for social progress. He cited the repression of a free trade union movement in Poland "by a regime that has the nerve to call itself 'socialist.'" He also assailed the policies of "our Republican capitalistic government" that has brought mounting unemployment, a foundering economy and a depressed housing industry.

AFL-CIO Sec.-Treas. Thomas R. Donahue, who presented the Debs award to Konyha, pointed out that the Reagan Administration continues to wipe out vital social programs even as the effects of "supply-side" economics cut deep on workers, the aged, the young, and the poor.

No one should be surprised, Donahue suggested, that the Reagan Administration's tax cuts which benefit the wealthy were intended to produce a shortage of government funds so that further reductions in social spending would be required.

"The Stockman-Laffer-Reagan plan never pretended to be egalitarian, never pretended to seek a redistribution of the nation's wealth in a more equitable fashion," Donahue observed.

"WE SHOULD never accuse the Republicans of having lied to us. The President, with a few exceptions, told the nation what he intended to do," although the people didn't understand the implications, he said.

"Now, every poll tells us of the nation's changing attitude," Donahue noted. "Now we can see what the implications of these policies are." Most people now know that the Reagan policies have not worked and will not work, he said.

Also addressing the dinner honoring Konyha were Piotr Naimski, a founding member of the Polish Workers Defense Committee (KOR), a forerunner of the Solidarity free trade union, and AFL-CIO Organizing Director Alan Kistler.

Federal Program Sought

Marine Engineers Urge Strong Merchant Fleet

New Orleans—The 97th convention of the Marine Engineers Beneficial Association called on the maritime industry and the federal government to take "economically sensible and militarily important" actions to bolster the American merchant marine.

President Jesse M. Calhoon, in his keynote speech, expressed hope that the Reagan Administration will soon offer the country a long-needed program for upgrading the U.S. merchant fleet.

HE NOTED that the designation of the Secretary of Transportation as the Administration's principal spokesman on maritime matters reflects an upgrading of interest in a stronger merchant marine. On the basis of discussions with government officials, he added, "MEBA viewpoints, based on our policy statements and recommendations, are to some extent at least being integrated into the Administration's formulations."

Calhoon, who became acting president of the national union in 1960 and was elected for the first time in 1962, was unanimously elected to another term of office. Also re-elected without opposition were C. E. DeFries as secretary-treasurer and Raymond T. McKay as executive vice president.

MEBA, WHICH has three affiliated districts, represents more than 9,000 marine engineers, deck officers and radio officers throughout the merchant marine. In addition, a number of affiliated unions represent employees of the National Weather Service; other public employee groups; an organization of engineers and scientists, largely in California, including doctors, technicians, nurses and administrative employees in private and public hospitals and clinics. The convention, however, is composed of delegates only from the maritime industry.

MEBA's resolution on maritime policy pointed out that the merchant marine "is an essential investment in national security and economic strength."

Yet today, the merchant marine is a far cry from the fleet that once dominated much of the ocean's seaways, the resolution noted. In 1981, for instance, U.S.-flag merchant ships "carried only 3.6 percent of our international trade and less than 3 percent of essential imported strategic materials," the measure pointed out. In addition, the average age of merchant ships is 17 years—the most elderly of any of the world's major fleets.

THE CONVENTION also cited the decline in the size of the privately owned merchant fleet from 1,087 ships in 1950 to 577 last year. In 1967, the ocean-going fleet provided 60,000 shipboard jobs; now the total is less than 20,000.

The union called for adoption of "a cargo policy to guarantee a fair share of cargo for U.S.-flag vessels through a series of bilateral maritime agreements with our trading partners." It also urged investment and tax policies to improve the competitive position of U.S. shipowners.

And it proposed to give the merchant fleet status as a naval auxiliary and to provide for civilian manning of naval support and supply ships.

The delegates called for "strictest enforcement" of the Jones Act, which reserves several types of shipping for U.S.-flag ships, and said they "vigorously oppose" efforts to weaken or waive the act, except in cases where it may be deemed "absolutely necessary in the national interest."

The convention also urged adoption of programs to "revitalize waterborne commerce" on the Great Lakes.

The recession in the steel industry and the general refusal of federal authorities to ship more than "a minute amount" of foreign aid grain and military hardware from Great Lakes ports has caused depression-like unemployment in the inland fleet.

Big Decline in Fuel Prices Helps Stabilize Living Costs

Consumer prices rose by only two-tenths of a percent in February, the result of a slight decline in mortgage interest rates, a big drop in energy prices, and only moderate increases in food prices.

Economists also cited the tight-money policies of the Federal Reserve Board, as a reason for the continued cooling of inflation. The Fed's actions have triggered the current recession, which in turn has led to reduced consumer demand for goods and services and rising unemployment.

THE BUREAU of Labor Statistics, in reporting the latest change in its monthly consumer price index, said the index still was 7.4 percent higher than a year earlier. The February rise continued a trend of moderate increases in the CPI that began last September. It was the smallest rise since July 1980, when prices rose only one-tenth of 1 percent.

In a separate report, BLS said the slowdown in the inflation rate caused real spendable earnings — after-tax pay expressed in constant 1977 dollars — to rise 1.9 percent in February, the most of any month since the government began computing inflation-adjusted income in 1964. Over the past year, however, earnings have declined by 1.7 percent.

THE SMALL increase in the February CPI, if repeated for the next 12 consecutive months, would translate to a yearly compounded rate of about 3 percent.

Gasoline prices fell by 2.3 percent over the month, while new car prices, influenced by rebates, were eight-tenths of 1 percent cheaper. Fuel oil and coal prices dropped by four-tenths of 1 percent.

Because of the extraordinary drop in gasoline prices—due to the current world oil surplus—and auto prices, the overall transportation component of the CPI fell for the month by seven-tenths of 1 percent, its steepest decline in nearly 13 years.

The rise in food prices also moderated, increasing four-tenths of 1 percent, or only half the January rate of increase. A substantially smaller increase in prices for fruit and vegetables was largely responsible for the moderation.

UAW, General Motors Agree on Terms

Detroit—The Auto Workers tentatively agreed to a new contract with the General Motors Corp., that provides greater job security in return for wage concessions in an industry hard hit by recission.

Concessions made by GM workers in the 30-month agreement generally parallel those made by the union last month in its new pact with the Ford Motor Co.

AS IN THE Ford agreement, the UAW agreed to give up two annual 3 percent pay raises and the equivalent of two weeks of paid time off a year, along with deferral for 18 months of three cost-of-living raises due this year. The COL money will be restored later.

The automaker agreed in return to rescind decisions to close four plants and to apply retroactively an enhanced layoff benefit program to workers laid off by the shutdown of assembly plants in Southgate and Fremont, Calif.

Matching a provision in the Ford pact, GM said it would also place a two-year moratorium on future domestic plant closings. It made the same promise as Ford to preserve jobs by avoiding excessive subcontracting to lower paid non-union domestic and foreign sources, and to make available to UAW members a profit-sharing plan effective in 1983.

THE UAW's 300-member GM bargaining council was scheduled to meet in Chicago Mar. 25 to vote on the agreement before it is presented to the rank and file for approval. The union set a tentative ratification deadline of Apr. 10. The pact would affect 319,000 UAW members. An additional 141,000 members are on indefinite layoffs, but most would be eligible to vote on the agreement.

UAW President Douglas A. Fraser and Vice President Owen Bieber, who heads the union's GM division, stressed the job security provisions of the new pact. "We've succeeded in achieving a series of breakthroughs on job security that will stop the hemorrhaging of GM workers' jobs," they said in a joint statement.

The four plants that will be kept open under the agreement include GM facilities in Euclid, Ohio; Trenton, N.J.; and two in Detroit—the Fort Street plant and plant No. 37. The decision will save about 11,000 jobs, the company and the union estimated. Workers at the firm's Coit Road plant outside Cleveland will keep their jobs through transfers to other GM facilities.

UNDER THE new profit-sharing plan, the workers' share would be based on GM's net worth and assets. The Ford profit-sharing plan would distribute a share of pretax profits based on a percentage of sales. Under the GM formula, workers as a group would have received $1.3 billion between 1976 and 1979 had the plan been in effect.

In addition, GM guaranteed active workers with 10 to 15 years of seniority half their hourly rate of pay until age 62 or until retirement if they are laid off. In other gains, UAW members will receive prepaid legal services and discounts between 12 and 20 percent on new car purchases.

The new pact would replace an agreement scheduled to expire Sept. 14.

Airline Pact Gives 14,000 2-Step Raise

The Machinists have approved a new two-year agreement with United Airlines covering some 14,000 mechanics, ramp service employees, and other workers.

The pact, retroactive to last Nov. 1, was ratified by members by a 4 to 1 ratio. It represents the first major settlement in this year's round of negotiations between IAM and the nation's major airlines.

UNDER THE United agreement, mechanics will receive pay raises of 10 percent the first year and 8 percent in the second year. Food service workers will receive smaller increases—8 percent the first year and 4 percent the second year.

Extra pay for mechanics holding Federal Aviation Administration licenses to certify aircraft as airworthy was increased, as was premium pay for working certain shifts. Pension benefits were hiked, and medical, surgical and dental benefits raised to compensate for inflation.

The union gave up a cost-of-living clause that had been part of the old contract. The escalator provision had yielded three adjustments during the life of the pact, each one the maximum 13 cents per hour.

The agreement was the first between the parties in more than 20 years to be reached in direct negotiations without a mediator. Three years ago, the union rejected two tentative contracts and struck for 55 days before reaching agreement.

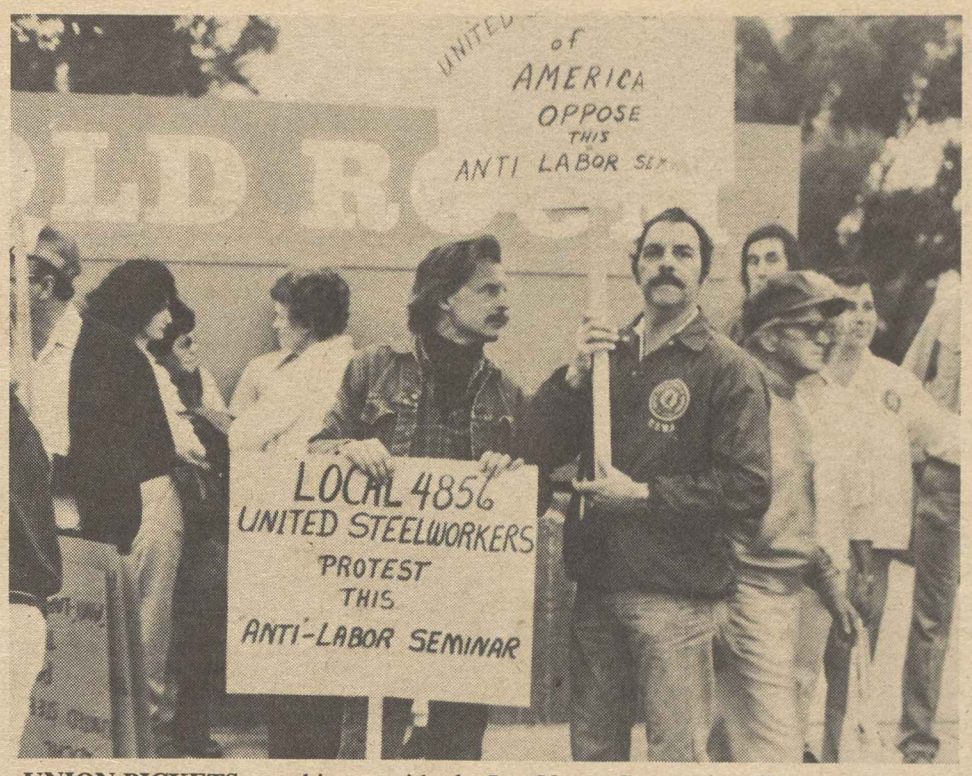
STILL TO BE negotiated are IAM contract renewals with Trans World Airlines, Eastern, Northwest, Continental, USAir, and Braniff.

In previous years, the first settlement of the bargaining round set the pattern for other airlines. But both parties agree that this will not be the case this year. Deregulation and the state of the economy have weakened the industry, and several airlines have asked for and received pay cuts from their unionized employees. IAM has lost 4,600 jobs at United since the last settlement.

Under the old United contract, mechanics' base rate pay was $13 an hour. COL adjustments added 39 cents. The two pay increases under the new contract will raise wages to $14.71, as of last Nov. 1, and $15.91 in November 1982.

PENSION BENEFITS will rise from $27 per year of service per month to $28 on Oct. 1, 1982, and to $29.50 on Oct. 1, 1983. The monthly pension benefit for food service workers will rise to $20.90 per year of service over the term.

Shift premiums were increased by 30 cents an hour over the life of the contract, rising to 51 cents for the afternoon shift, 58 cents for the night shift, and 61 cents for relief shifts. Licensed pay was raised to a maximum of 85 cents an hour for two licenses, up from 65 cents in the old contract.



UNION PICKETS marching outside the Las Vegas Convention Center prompted the cancellation of a union-busting seminar. Although 200 participants had enrolled for the session, only a handful showed up at the center—and they were greeted by nearly 4,000 demonstrators who responded to a call from the Nevada AFL-CIO. The aborted seminar was sponsored by five local Chambers of Commerce, employers, and the state-funded Nevada Development Authority.

SEIU Challenges Hospitals On Social Security Pullout

An "epidemic" of withdrawals of non-profit hospitals from the social security system threatens to leave tens of thousands of employees with inadequate retirement protection, the Service Employees warned.

SEIU President John J. Sweeney said 271 hospitals with 192,000 covered employees have filed the two-year notice required for a non-profit institution to withdraw from the social security system. In many cases, he told reporters at a news conference, the employees who stand to lose protection weren't informed of the withdrawal notices.

PUBLIC EMPLOYERS and non-profit organizations were originally omitted from social security coverage. The law was substantially changed to allow exempt groups to come under the system. Once enrolled, they must remain in the system for at least eight years, with withdrawal requiring a two-year notice of intent to the Internal Revenue Service. About 1.6 million of some 2.3 million employees of non-profit hospitals are now covered by social security.

Sweeney protested the government's policy of refusing, on the grounds of confidentiality, to reveal the institutions that have filed notices of intent to withdraw. He said the SEIU is initiating court action under the Freedom Information Act to obtain the information.

He also said SEIU locals representing employees of non-profit institutions have been advised to file unfair labor practice charges against any employer seeking to withdraw from social security coverage without going through the collective bargaining process.

Legislation before Congress would prohibit withdrawal from the social security system, and Sweeney said the SEIU strongly supports such action. The most recent AFL-CIO convention also urged Congress "to correct this defect in the law."

SWEENEY SAID at the news conference that many of the withdrawal notices stem from the advice of "outside consultants who are marketing various types of replacement plans" they claim will provide equal retirement protection at less cost to the employing hospital.

In fact, Sweeney charged, these replacement plans often "are designed to benefit higher-paid workers at the expense of lower-paid workers, taking advantage of the high turnover rate among lower-paid hospital employees."

In addition to the potential loss in protection for workers, Sweeney noted, withdrawal by the hospitals which have served notice would cost the social security system hundreds of millions of dollars in payroll tax revenues.

Workers with union contracts will be able to protect themselves against loss of social security coverage, Sweeney said. But those without a union have to depend on Congress, he stressed.

About 3.8 million of the 4.7 million workers in non-profit institutions are presently covered by social security. This figure includes 1.6 million out of 2.3 million hospital employees.

BRITISH PARLIAMENT MEMBERS and officials of the AFL-CIO Dept. for Professional Employees compare the impact of microelectronics and high technology on employment in their respective countries. The meeting at federation headquarters was part of a weeklong visit to Washington of the House of Commons Select Committee on Employment. Both the U.S. and British economies are suffering high unemployment. DPE representatives included Director Jack Golodner and Dennis Chamot along with President Rodney A. Bower of the Professional & Technical Engineers, AFL-CIO Special Counsel Larry Gold, and Economist John Zalusky of the federation's Dept. of Economic Research.

FTC Backed As Protector Of Consumers

American workers welcome government protections against deception in the marketplace and aren't clamoring for "less enforcement" by the Federal Trade Commission, the AFL-CIO told Congress.

The federation urged a Senate subcommittee to renew the funding authority of the FTC, which expires at the end of September, and to reject proposals that would tie the agency's hands.

IRONICALLY, FTC Chairman James C. Miller III is one who wants his agency curbed, although not as drastically as some of the business associations. Miller, a Reagan appointee, wants Congress to bar the FTC from acting against deceptive advertising unless it could show that the deception caused economic damage to consumers.

The AFL-CIO statement said the FTC has earned the support of consumers and incurred the hostility of various business groups by such actions as requiring companies to:

- Stop billing customers for unordered merchandise.
- Replace rusted fenders in automobiles.
- Give customers their money back when they can't keep up payments on layaway purchases.
- Stop adding illegal fees to consumer debts.
- Stop abusing customers in telephone calls about delinquent debts.
- Stop discriminating on racial, ethnic and sex grounds in granting credit.

The statement stressed the AFL-CIO's opposition to legislation that would bar the FTC from considering, or even studying, anti-competitive practices engaged in by professional organizations of doctors, lawyers, dentists and others.

IT NOTED that the FTC has in the past helped consumers with lawsuits challenging medical association attempts to prevent physicians from taking part in low-cost health care alternatives.

Changes in the law that would curtail the Federal Trade Commission's jurisdiction "are not in the interest of the working people of this country," the AFL-CIO said.

Labor Opposes NFL's End Run On Antitrust Law

An attempt by owners of professional football teams to gain exemption from federal antitrust laws serves no public interest and should be rejected by Congress, the AFL-CIO urged.

The National Football League wants Congress to give it the status of a single employer, thus eliminating the obligations of fair competition and restrictions on anti-competitive agreements.

In a letter to all members of Congress, AFL-CIO Legislative Director Ray Denison said the owners have failed to show the "strong case" that would be needed to justify an exemption from the law.

HE SAID the AFL-CIO supports the position taken by the National Football League Players Association in opposition to any antitrust exemption. The football players are part of the AFL-CIO-affiliated Federation of Professional Athletes.

"Only the club owners are calling for an exemption," Denison stressed. "Their purpose is to make even more profits at the expense of the consumer and the athlete and, in our view, to gain the freedom to take such steps as putting all athletic events on pay television."

Despite their complaints about antitrust restrictions, "the sports leagues are thriving under the present rules of law," the AFL-CIO noted.

Protest Builds On Funds for Union-Busting

Chairman of four House committees concerned with health care costs have protested an Administration decision to allow hospitals and nursing homes to include fees paid to union-busting consultants as reimburseable expenses under Medicare.

The new policy, which the Dept. of Health & Human Services calls a "clarification," allows retroactive payments for anti-union expenses which had been disqualified under the previous Medicare reimbursement rule.

AFL-CIO PRESIDENT Lane Kirkland had termed the policy change "outrageous." And Service Employees President John J. Sweeney told a Washington news conference that his union will challenge its legality.

The congressional protesters wrote HHS Sec. Richard S. Schweiker that the change of policy means that "limited public funds under Medicare will be used to finance anti-union activities." Such a "misuse of public funds is totally unacceptable," they declared.

Signing the letter to Schweiker were Chairman John D. Dingell (D-Mich.) of the Energy & Commerce Committee; Henry A. Waxman (D-Calif.), chairman of its Subcommittee on Health & the Environment; Charles B. Rangel, chairman of the Ways & Means Subcommittee on Oversight, and Andrew Jacobs, Jr. (D-Ind.), chairman of the Ways & Means Subcommittee on Health.

AT THE SEIU news conference, Sweeney said health care institutions hire management consultants to direct efforts to thwart union organizing in at least 75 percent of representation elections, with billings averaging about $100,000 a campaign.

SEIU documentation had helped bring about a tightening of Medicare reimbursement standards under the Carter Administration, and Sweeney wrote Schweiker that the union considers the reversal "illegal" because "it permits payments for costs which Medicare law flatly prohibits."

The American Hospital Association had brought a suit against HHS challenging the Carter Administration policy of denial of reimbursement for management consultants employed to "persuade" employees not to choose union representation.

INSTEAD OF letting the suit go to court, the Reagan Administration backed down and "settled" the case by agreeing to allow reimbursement for any consultant activities that did not violate the National Labor Relations Act.

It also agreed to make the change in policy retroactive, allowing hospitals to recoup expenses for anti-union activities in the past.

The Federation of Nurses & Health Professionals, a division of the Teachers, has also attacked the Administration turnabout and is exploring a legal challenge.

In an earlier letter to Schweiker, Kirkland said the AFL-CIO considers the new rule an abandonment of the government policy of neutrality in organizing situations since federal funds will be used to discourage workers from joining unions.

FREEDOM FOR AFGHANISTAN rally near the Soviet Mission to the United Nations in New York City drew some 2,000 demonstrators, who expressed their support for the Afghan people and condemnation of the Soviet invaders. The event was sponsored by Freedom House, New York State AFL-CIO, Social Democrats, and Afghan communities in the area. AFL-CIO Regional Director Michael Mann pledged labor's support of Afghanistan's people.

Congress Asked To Bar Further Food Stamp Cuts

(Continued from Page 1)

among "the most heartless cuts" an Administration proposal to reduce food stamps for households that get emergency assistance to help pay winter heating bills.

The energy assistance payments offset only a part of the higher heating bills, Peterson noted, and don't provide any additional money to buy food. The Administration proposal to reduce food stamps dollar for dollar by the amount of the fuel cost subsidy would destroy the whole purpose of the fuel program, he protested.

Subcommittee Chairman Fred Richmond (D-N.Y.) said at the start of the hearings that he is distressed by the fact that top Administration officials, including President Reagan, continue to repeat untrue anecdotes about fraud and abuse of food stamps—while doing little to implement anti-fraud safeguards enacted by Congress.

Thus, Reagan's story of a man who paid for a single orange with food stamps and used the change to buy a bottle of vodka is an obvious fabrication. Under the law any change from a food stamp purchase has to be less than $1.

"We don't need to change the program to counter these myths," Richmond suggested. "We need to silence the storytellers."

Standby Oil Allocation Bill Blocked by Reagan's Veto

By David L. Perlman

President Reagan vetoed a bipartisan bill giving him emergency powers to deal with future oil shortages, and a 58-36 Senate vote to override the veto fell short of the needed two-thirds majority.

Earlier this month, Senate Republicans had joined in the one-sided 86-7 vote to pass the bill, despite the Administration's announced opposition and a veto warning. But in the crunch, most Republicans bowed to White House pressure not to "embarrass" the President and the override attempt was rejected.

THE COMPROMISE measure was intended to replace the Emergency Petroleum Allocation Act, which expired last September. It called on the President to submit to Congress a plan for allocating petroleum supplies in the event of a "severe" shortage that threatened the nation's security or economic stability.

Labor supported the measure, although the AFL-CIO had sought a stronger bill. But the President said in his veto message that he didn't want any such powers, that the government shouldn't interfere with the play of the free market, and that there was "no magic plan" to avoid hardships.

Senate Energy Committee Chairman James A. McClure (R-Ida.), one of the authors of the vetoed bill, urged his GOP colleagues in vain not to support the President's veto "out of blind loyalty." He said the legislation was needed to cope with a crisis such as another oil embargo.

But both Reagan and Vice President Bush made personal calls to senators to switch votes. The intense presidential lobbying of the Senate came even though the House almost certainly would have failed to override the veto.

In other action, the Senate passed unanimously a regulatory reform bill that moves in apparently conflicting directions. On the one hand, it strengthens the role of the Office of Management & Budget in reviewing rule-making by federal agencies. But the Senate then adopted an amendment allowing Congress, by majority vote of both the House and Senate, to overturn any proposed regulation.

This "two-house legislative veto" was opposed by both the AFL-CIO and the Administration. But it easily passed by a 69-25 vote. Congressional committees would have 45 days to review a proposed regulation. If a committee recommended disapproval, each house would have 30 days more to act on the recommendation.

Agencies would be required to submit a cost-benefit analysis of proposed regulations. But the Senate adopted a labor-supported amendment requiring OMB to submit its reasons for rejecting a regulation and directing agencies to keep a public record of written intervention by the White House.

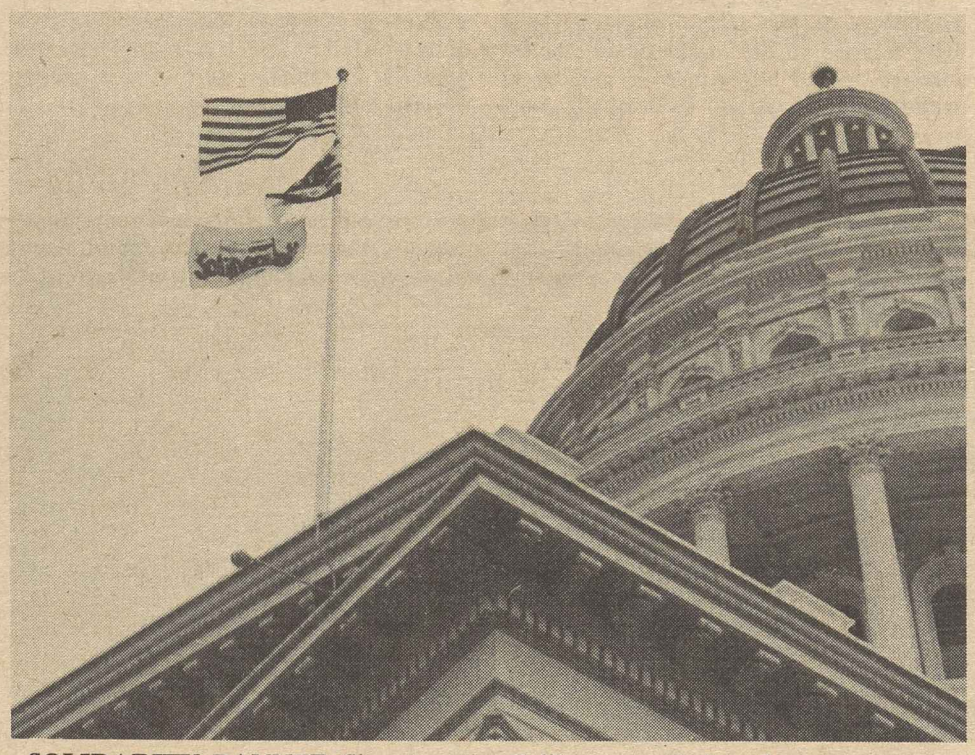
THE MEASURE now goes to the House where the Judiciary Committee has approved a companion measure. But its version of the legislative veto is less controversial. It would allow the President to veto a resolution disapproving an Executive Branch regulation. Thus, if the President backed his administrators, it would require a two-thirds vote of the House and Senate to overturn a regulation.

The voting rights battle has shifted to the full Senate Judiciary Committee.

A subcommittee headed by Sen. Orrin G. Hatch (R-Utah) and including the chairman of the full committee, Strom Thurmond (R-S.C.), voted 3-2 for a simple extension of the existing Voting Rights Act, without the clarifying and strengthening amendments the House adopted.

CIVIL RIGHTS and labor groups support the House version, which makes clear that voting law changes that result in discrimination are illegal—whether or not there is proof of an "intent" to discriminate. The change is needed to overcome a Supreme Court interpretation that weakens existing law.

A substantial majority of the Senate is listed as co-sponsors of the House-passed version, and an attempt will be made in the Judiciary Committee to substitute it for the weaker subcommittee bill.



SOLIDARITY BANNER flies over the California capitol in Sacramento as a message of support for the continuing struggle of Poland's workers against the government's repression. A joint resolution endorsed by the California AFL-CIO and adopted by the state legislature called on the Reagan Administration and Congress to intensify pressure on the Polish government to restore human and trade union rights.

Correspondence about address corrections should be sent with attached mailing label to: Subscriptions, Room 209, 815 16th Street, N.W., Washington, D.C. 20006.

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AFL-CIO News

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Labor Backs New Plan For Lid on Health Costs

SIDEWALK DEMONSTRATION rallies support for Television & Radio Artists on strike since Mar. 1 against radio station WINS in New York. The strikers were joined by an array of craft and performing arts unions affiliated with the city AFL-CIO. AFTRA has filed charges against the management of the Westinghouse radio station for refusing to bargain in good faith on a new contract for 17 broadcasters and news reporters.

Alternative Would Avert Budget Ax

By Susan Dunlop

A comprehensive plan to check the steep rise in health care costs without damaging essential programs was unveiled by the labor-supported Health Security Action Council.

Auto Workers President Douglas A. Fraser, who heads the council, called the plan "a major alternative" to sharp cuts in the federal budget for health care sought by the Reagan Administration.

INTRODUCING the council's plan at a Washington news conference, Fraser charged that the Administration's proposals would "slash Medicare and Medicaid programs, wipe out vital services for millions of children, the elderly and the disabled" and shift the costs of their health care to the rest of the economy.

The council's plan to rein in costs, he said, "is a more humane approach that will protect people and save money." Fraser estimated that the program could save about $11 billion in public funds in its first two years. Savings would also go to the states and the private sector, he noted.

Key features of the plan would put lids on hospital, nursing home, and providers' charges. Management of the cost control programs would be in the hands of responsive state agencies.

THE HEALTH Security Action Council is the legislative arm of the Committee on National Health Insurance, which is supported by labor, consumer, senior citizens, religious and minority groups.

AFL-CIO Sec.-Treas. Thomas R. Donahue, who is secretary of the council, said that "the Administration's budget seems to assume that health care costs will disappear if the federal government refuses to pay the bill."

(Continued on Page 8)

Index Points To Stretchout Of Recession

By James M. Shevis

The 10th straight monthly drop in the government's index of leading economic indicators put the freeze on any burgeoning hopes for an early end to the recession.

Coupled with other gloomy economic news, the Commerce Dept.'s report of a drop of three-tenths of 1 percent in the index for February was a clear sign that the Reagan Recession that began last summer has yet to run its course. The index reflects changes in economic activity in a number of areas most likely to influence the economy in the weeks and months ahead.

THE GOVERNMENT also reported that the index declined more in December and January than originally announced. The index, compiled from 12 pieces of economic data, fell 1.2 percent in January —twice as deeply as reported earlier— and by eight-tenths of 1 percent in December instead of six-tenths of 1 percent as initially reported.

Commerce Dept. officials said the February decline also would likely be revised downward in April when more complete data are available.

Of the nine components available for February, five contributed to the decline in the index. The negative indicators were orders for plant and equipment, building permits, crude material prices, stock prices, and the change in liquid assets. The four components that contributed some offsetting improvement were led by a drop in initial claims for unemployment benefits, and included new factory orders, the money supply, and the pace of deliveries.

ANOTHER important indicator, the level of inventories, was not available for February. It was the data on inventories for January that contributed most to the large downward revision for that month.

In both January and February, the Commerce Dept. omitted the length of the average workweek to avoid distortions in the index which it said would have resulted from the abnormally severe January weather. Data for the January index were collected during an unusually cold and snowy week, and would have skewed the report for both months had the workweek been included, the department said.

If the workweek had been left in, the January decline would have been 1.5 percentage points sharper while the February decline would have appeared as an increase of about 1.2 percent, Commerce said.

THE INDEX is closely watched because it has proved reliable as a barometer of recovery from recessions. It usually shows several months of positive readings before an upturn in economic activity begins.

Robert Ortner, the Commerce Dept.'s chief economist, said hopeful signs of recovery are not yet showing up in the index.

(Continued on Page 2)

Benefit Cuts Unwarranted

Social Security Report Branded Alarmist Ploy

By David L. Perlman

The social security system can be restored to financial health without cutting back benefits, the AFL-CIO and leaders of the Save Our Security coalition declared.

Director Bert Seidman of the federation's Dept. of Social Security said a just released annual report of the system's trustees properly points up the need for early action to head off a recession-worsened short-term funding crisis.

BUT IT reveals "no cause for alarm" about the continuation of benefits, he stressed.

The three trustees, members of the Reagan Cabinet, projected various scenarios for the future stability of the social security trust funds, based on assumptions of economic conditions, inflation, birth rates and longevity.

Seidman protested what he termed "the lack of balance" in the way the Reagan Administration presented the report. By "exaggerating the fiscal problems of social security," he charged, "the Administration aims to cut social security benefits and thereby reduce its budget deficit."

IT WAS to prevent "just this sort of manipulation" that the AFL-CIO has urged that social security revenues and outlays be removed from the federal budget.

The social security payroll tax on workers and employers goes into different trust funds. These are the basic Old Age & Survivors Insurance, which pays monthly cash benefits after a worker retires or dies; Disability Insurance, which pays benefits after a worker become disabled; Hospital Insurance, the Medicare Part A protection for persons 65 or older and the long-term disabled, and Supplementary Medical Insurance, the Part B of Medicare.

Periodically, one trust fund will show a surplus while another has a temporary

(Continued on Page 7)

'Enterprise Zones' Termed Lure for Runaway Shops

President Reagan's proposal to establish tax-favored "enterprise zones" in blighted areas is more likely to attract runaway shops than job-creating new businesses, the State, County & Municipal Employees warned.

AFSCME President Gerald W. McEntee said the Administration proposal would establish "company towns" in urban areas that would compete to lure employers through lower taxes and exemptions from building codes and zoning laws.

THE TAX benefits promised business would cost the government $310 million in revenue under the Administration plan, McEntee noted. But the Administration has already slashed billions of dollars from job training and community development programs, he said. Thus, "the President's program gives with one hand and takes with three others."

The heavy industries that are supposed to be the "magnet" to attract other firms to enterprise zones would leave a trail of job losses and community dislocation in the areas where they were formerly located, McEntee suggested.

In addition, he noted that the Reagan proposal "calls for the contracting out of vital police and fire services to private industry in the zones." He termed this "a direct assault on public service and public employees."

AFL-CIO Economist Arnold Cantor called the Reagan plan "the same kind of supply-side nuttiness" as previous Administration tax and budget programs. Cantor,

(Continued on Page 7)

Clothing Workers Win Pay, Pension Gains for 70,000

New York—The Clothing & Textile Workers reached tentative agreement on a new contract with the Clothing Manufacturers Association covering some 70,000 workers in the men's and boys' tailored apparel industry.

More than 600 firms are represented by the CMA. The agreement came just hours before a midnight Mar. 31 strike deadline.

The settlement provides a wage increase of $1.05 an hour over a 38-month period, plus cost-of-living adjustments, and improvements in health, welfare, and pension plans. Additional details were withheld pending ratification.

ACTWU members across the country were voting on the pact, which replaces an 18-month agreement negotiated in the fall of 1980.

Index Points To Stretchout Of Recession

(Continued from Page 1)

"The recession is still here, and there's no sign of the end of it yet," he said.

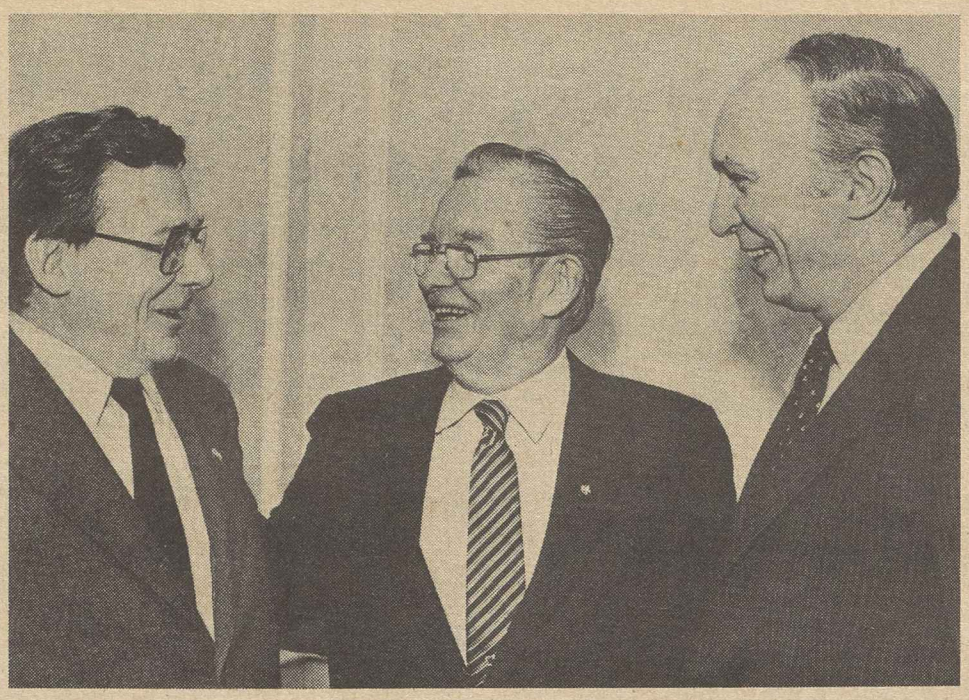
The widening recession has lifted the nation's jobless rate from 7.2 percent in July to 8.8 percent in February. More than 9.6 million Americans are out of work, an increase of 1.8 million since the start of the recession.

A DUN & BRADSTREET report this week showed 4,846 business either have been liquidated or have sought reorganization since the beginning of 1982, an increase of more than 50 percent from the total for the same period a year earlier. The figures confirmed a new and disturbing trend in durable goods manufacturing, with the factory failure rate up 55.5 percent—from 449 to 698—from the comparable 1981 period.

Meanwhile, the U.S. League of Savings Associations reported that late payments on mortgage loans rose to a 17-year record in February as the recession and high interest rates kept an increasing number of homeowners from meeting their bills. The industry considers a home loan delinquent when no payment has been received within 60 days of the due date.

Sales of new single-family houses declined by 11.8 percent in February to the second-lowest monthly rate in two decades, the Depts. of Commerce and Housing & Urban Development reported. The sale of new houses over the month was a seasonally adjusted annual rate of 336,000, only slightly above the 335,000 of last September, the lowest since the government began keeping such figures in 1963.

RISING PESSIMISM over the near-term outlook for sales is causing auto makers to cut their output by 21 percent over the next three months, the Wall Street Journal reported.



BEST WISHES on his retirement are extended to Wes Reedy, assistant to the AFL-CIO secretary-treasurer since 1955, by Federation President Lane Kirkland and Sec.-Treas. Thomas R. Donahue. Reedy served on Kirkland's staff when he held the post during the 1970s, as well as that of William Schnitzler, the federation's first secretary-treasurer. A member of the Bakery, Confectionery & Tobacco Workers for 49 years, Reedy had been assistant to the president of the union before joining the AFL-CIO staff. His retirement was effective Apr. 1.

Congress Asked to Remedy Reagan's Tax Cut Blunder

The AFL-CIO urged the House Ways & Means Committee to support revenue-raising tax reforms as an alternative to Reagan Administration policies that have left key government programs underfunded and created new tax injustices.

Research Director Rudy Oswald told the committee that labor considers the Administration tax bill enacted by Congress last year a major blunder that must be remedied.

"THE CRAZY QUILT combination of the Reagan Administration's huge tax cuts, dismantled programs and sky-high interest rates is the direct cause of the present deep recession," he testified.

Further, Oswald warned, the economy's capacity to "regain strength and resiliency" has been gravely weakened by "the inequities and imbalances of these programs."

Oswald outlined to the committee, which has jurisdiction over tax legislation, the economic program advanced by the AFL-CIO.

It includes a rollback of the 1981 tax law to impose a $700 limit on the tax reduction for any household, repeal of future indexing of tax brackets and repeal or major modification of the new tax loopholes that were enacted.

LOOPHOLES the AFL-CIO proposed to end include the leasing of tax credits by corporations and additional tax windfalls to oil royalty owners.

Oswald submitted a table showing that labor's proposal for a $700 ceiling on income tax reduction would leave intact the scheduled reductions for virtually all families with incomes under $40.000 a year—and still bring in at least $25 billion in lost revenues.

He urged a series of other tax reform measures the AFL-CIO has proposed to further reduce deficits and provide needed revenues while moving closer to tax justice.

And he reiterated the AFL-CIO's position that Congress should finance any needed increase in defense spending through a special surtax, including a levy on gross corporate earnings.

Oswald said the assortment of revenue-raising measures proposed by the Administration "falls far short of needs" in terms of bringing in additional revenue "and adds up to nothing when measured against the need to restore some equity to the federal tax structure."

Senate Vote on Override Of Oil Allocation Bill Veto

The Senate failed to override President Reagan's veto of a labor-supported bill giving him emergency powers to allocate oil supplies in the event of a severe shortage. The 58-36 vote on Mar. 24 fell short of the two-thirds needed to overturn a veto.

FOR LABOR'S POSITION

Democrats 38

Baucus (Mont.)	Dodd (Conn.)	Kennedy (Mass.)	Pryor (Ark.)
Biden (Del.)	Eagleton (Mo.)	Leahy (Vt.)	Randolph (W.Va.)
Bumpers (Ark.)	Exon (Neb.)	Levin (Mich.)	Riegle (Mich.)
Burdick (N.D.)	Ford (Ky.)	Matsunaga (Hawaii)	Sarbanes (Md.)
Byrd, H. (Va.)	Glenn (Ohio)	Melcher (Mont.)	Sasser (Tenn.)
Byrd, R. (W.Va.)	Hart (Colo.)	Metzenbaum (Ohio)	Stennis (Miss.)
Chiles (Fla.)	Hollings (S.C.)	Mitchell (Me.)	Tsongas (Mass.)
Cranston (Calif.)	Huddleston (Ky.)	Nunn (Ga.)	Zorinsky (Neb.)
DeConcini (Ariz.)	Jackson (Wash.)	Pell (R.I.)	
Dixon (Ill.)	Johnston (La.)	Proxmire (Wis.)	

Republicans 20

Abdnor (S.D.)	Domenici (N.M.)	Hatfield (Ore.)	Pressler (S.D.)
Andrews (N.D.)	Durenberger (Minn.)	Hawkins (Fla.)	Rudman (N.H.)
Chaffee (R.I.)	Garn (Utah)	Jepsen (Iowa)	Roth (Del.)
Cohen (Me.)	Gorton (Wash.)	Kasten (Wis.)	Symms (Ida.)
Danforth (Mo.)	Grassley (Iowa)	McClure (Ida.)	Weicker (Conn.)

AGAINST LABOR'S POSITION

Democrats 4

Bentsen (Tex.)	Boren (Okla.)	Bradley (N.J.)	Heflin (Ala.)

Republicans 32

Armstrong (Colo.)	Hatch (Utah)	Mathias (Md.)	Simpson (Wyo.)
Baker (Tenn.)	Hayakawa (Calif.)	Mattingly (Ga.)	Specter (Pa.)
Boschwitz (Minn.)	Heinz (Pa.)	Murkowski (Aka.)	Stafford (Vt.)
D'Amato (N.Y.)	Helms (N.C.)	Nickles (Okla.)	Stevens (Aka.)
Denton (Ala.)	Humphrey (N.H.)	Packwood (Ore.)	Thurmond (S.C.)
Dole (Kan.)	Kassebaum (Kan.)	Percy (Ill.)	Tower (Tex.)
East (N.C.)	Laxalt (Nev.)	Quayle (Ind.)	Wallop (Wyo.)
Goldwater (Ariz.)	Lugar (Ind.)	Schmitt (N.M.)	Warner (Va.)

Absent: Cannon (D-Nev.); Cochran (R-Miss.); Inouye (D-Hawaii); Long (D-La.); Moynihan (D-N.Y.).

Karen Ignagni Joins Social Security Staff

Karen M. Ignagni has joined the AFL-CIO Dept. of Social Security staff as an assistant director for health care policy. She takes over the post held by Richard E. Shoemaker, who retired recently.

Ignagni, 29, had been on the Senate Labor & Human Resources Committee staff since 1979, specializing in the labor, health and employment issues. Earlier, she was with the Committee for National Health Insurance as assistant executive director and as research director, and with the former Dept. of Health, Education & Welfare as a research analyst.

Ignagni holds degrees in economics and political science from Providence College.

Auto Workers GM Council Backs Accord

Chicago—The Auto Workers' tentative new contract with General Motors Corp. won overwhelming approval from leaders of GM-UAW local unions, and went to the rank-and-file for final ratification. But contract talks with American Motors Corp. broke off after more than a week of slow but steady progress.

UAW President Douglas A. Fraser said voting on the GM pact would be completed by Apr. 10. All active and laid-off UAW members employed by the giant car maker are eligible to vote on the 30-month contract.

GM AND THE union reached agreement on the pact Mar. 21. After a detailed, four-hour presentation of the package here, the union's GM Council voted 229 to 25 in favor of the settlement. The council is made up of elected union representatives from GM locals.

Under the agreement, the company's 320,000 auto workers in the United States would give up two annual 3 percent pay raises, nine paid personal holidays a year, and defer for 18 months three cost-of-living increases due them this year. The money would be restored later.

In return, GM has agreed to keep open its Detroit Fort Street and No. 37 plants as well as its facilities in Trenton, N.J., and Euclid, Ohio, which it threatened to close when earlier talks broke off.

THE COMPANY also has pledged a two-year moratorium on plant closings due to subcontracting and has agreed to limit its practice of farming out work to non-union sources. It also agreed to give workers a profit-sharing plan based on the company's net worth and assets.

Council delegates were given copies of the proposed contract, which included a letter from GM Chairman Roger Smith assuring the union that sacrifices made by blue-collar workers would be shared by all GM employees, including high-level management officials.

SEPARATELY, Fraser said that members of the UAW executive board had voted to give up a week's vacation time and some pay increases to approximate concessions made by UAW members under the agreement.

The pact is the second agreement with a major U.S. auto firm that the union has made this year to ease the industry's costs in the face of a continuing slump in car sales. The GM contract is similar to the union's settlement with the Ford Motor Co. in February.

Talks between the union and the American Motors Corp. were suspended Mar. 31 because the two sides failed to reach agreement on the ratio of supervisors to workers in certain plants.

Longshore Union Clarifies Boycott On Polish Cargo

New York—The Longshoremen revised its policy on boycotts of Polish cargo to allow for the shipment of gift packages to Poland if the shipper provides assurance that distribution will be handled by non-governmental personnel in Poland.

ILA President Thomas W. Gleason said the union will now expedite the flow of gift packages if their shipment is handled by recognized charities such as Catholic Charities, CARE, and the International Red Cross or by other means that will assure delivery to individual addressees.

Gleason stressed that the boycott—initiated Dec. 21, 1981 shortly after Poland's military regime denied Poles their basic civil and trade union rights—never was intended to harm Polish citizens but to demonstrate the union's strong opposition to martial law.

The revised ILA policy is in line with AFL-CIO policy.

Share of Revenues Sought

Football Players Affirm '82 Contract Objectives

Albuquerque, N.M. — The National Football League Players Association convention sent a strong signal to team owners, who have just signed a $2 billion network television deal, that a fair share of the league's gross revenues will be the union's primary goal in this year's contract negotiations.

That message came in a unanimous stand-up vote by the more than 500 NFLPA members who pledged full support of the union's play-calling to achieve a settlement before the start of the 1982 season.

THE CONVENTION also reaffirmed the NFLPA's opposition to legislation now before Congress that would exempt the team owners from federal antitrust laws.

With more than one-third of the union's members attending the annual meeting, NFLPA President Gene Upshaw said the players are showing the strongest support ever for the union's bargaining position.

"Players understand the issues, and we have solidarity," Upshaw said. "Over the last five years, I have seen the union grow up—and there is no short cut to get there."

NEGOTIATIONS with the owners opened in mid-February, but were recessed within days after management representatives failed to respond directly to the union's package of proposals. Talks are expected to resume in April.

Executive Director Ed Garvey—who also is president of the Federation of Professional Athletes, of which the NFLPA is the major component—pointed out that salaries of football players lag far behind other professional athletes.

Although football is the most profitable of all professional sports, Garvey told the convention, the average annual income of NFL players is $83,811—substantially below baseball's $250,000, basketball's $215,000 and hockey's $115,000.

A convention report showed that 54 percent of the union's membership earns less than $70,000 a year and that annual earnings of one-third of the union's 1,500 members average less than $50,000.

Upshaw pointed out that with players' careers lasting on the average less than five years, those earnings don't stretch too far.

AFL-CIO Sec.-Treas. Thomas R. Donahue underlined that point for delegates in noting that a player's career is often jeopardized by serious injuries.

"With or without injury, any job that has a worklife expectancy median of 4.2 years needs some special bargaining and some special bonuses to compensate for that lack of longevity and the severe limitation on earning power," Donahue said.

ANY INDUSTRY that has a $17,000 starting rate and a short worklife expectancy "is surely not going to rank among the highest-paid union jobs, much less among the highest-paid American jobs," he stressed.

Donahue pledged the full support of the AFL-CIO in the NFLPA's effort to win a fair contract settlement.

Other major contract objectives of the players are improvements in pensions and insurance coverage, players' rights and a voice in the selection of team physicians.

In explaining the union's opposition to an antitrust exemption for league owners, Garvey told the convention that passage of the legislation could seriously weaken players' rights and lead to destruction of the NFLPA.

THE CONVENTION also adopted a resolution calling on owners to give the public a share of their increased television revenues in the form of reduced ticket prices. Garvey noted that the new TV agreement will guarantee each team owner $15 million a year, nearly two and half times more than their gross revenues in the 1981 football season.

In introducing the resolution, San Francisco 49ers quarterback Guy Benjamin said the average working family can ill-afford to pay the ever increasing prices for tickets.

CALL FOR SOLIDARITY by all members of the NFL Players Association in the union's contract battle with owners is made by former Cleveland Browns running back Jim Brown at the NFLPA convention in Albuquerque, N.M. Others from left are NFLPA President Gene Upshaw, Atty. Leonard Lindquist, Executive Director Ed Garvey and Bernie Parrish, a founder of the union.

Louisiana Labor Fights Bid To Gut Compensation Law

Baton Rouge, La.—The Louisiana AFL-CIO's 27th annual convention focused on ways to combat a move by business to gut the state workers' compensation law.

The Louisiana Association of Business & Industry has made weakening of the statute its number one legislative goal. A comparison of the current law with the business group's proposals to emasculate it highlighted one of two workshops held during the three-day convention here.

THE BUSINESS group plans to introduce its concept of workers' insurance coverage in the state legislature, which is scheduled to convene Apr. 19. The 900 delegates to the State AFL-CIO convention adopted a resolution pledging a fight to preserve the existing law.

The other workshop served as an educational forum on the ways the State AFL-CIO serves its members.

All three of the federation's major officers, President Victor Bussie, Vice President Robert Quinn, and Sec.-Treas. Gordon Flory, were re-elected without opposition.

DELEGATES also approved a number of other resolutions on state and national issues. One measure condemned the Reagan Administration's attitude toward the poor, minorities, and the elderly and charged that its policies have been disastrous for the economy.

Other resolutions opposed natural gas deregulation, and supported strengthening of the 1965 Voting Rights Act, ratification of the Equal Rights Amendment, and purchase of union-made domestic goods.

Speakers included former Gov. Edwin Edwards, Atty. Gen. William Guste, President Rupert Richardson of the state NAACP chapter, and Rocky Bleier of the Pittsburgh Steelers, honorary chairman of the Special Olympics for the handicapped.

DELEGATES paid special tribute to Guste, the only state attorney general in the United States to serve on the National Committee for Labor Law Reform. He also appears in an AFL-CIO film speaking out against proposed changes in the Hobbs Act that would make picket-line fights federal crimes.

Quinn received an "award of excellence" plaque for his contributions to the Louisiana labor movement. The convention also paid a memorial tribute to Emile J. Bourg, former secretary-treasurer of the State AFL-CIO, who died last June.

Reagan Pressed to Recall Caribbean Basin Aid Plan

The Reagan Administration's plan for assistance to Caribbean Basin nations threatens U.S. jobs and should be sent "back to the drawing board," AFL-CIO Research Director Rudy Oswald urged.

Oswald told the Senate Foreign Relations Committee that the AFL-CIO supports the concept of direct economic assistance to Caribbean nations, but is "strongly opposed" to the trade and tariff incentives in the Administration bill.

THESE INCLUDE duty-free admittance of goods into the United States, including products principally manufactured elsewhere in the world with as little as 25 percent local content added in a Caribbean nation.

Oswald said the cost to the United States will be substantially greater than the "tax incentives" to encourage U.S. firms to invest in the Caribbean. The local cost, he suggested, will include higher U.S. unemployment and diminished U.S. investment in this nation's industries.

He urged "a more intelligent and meaningful way" to help the Caribbean Basin nations.

"DEVELOPMENT must be based upon expanding the opportunities for the citizens of these countries, not by enhancing the benefits for multinational corporations," Oswald said.

"Internal market growth with rising living standards—not trade diversions—should be the route to economic development," he said.

U.S. aid, Oswald suggested, should include improved education and training programs and land reform, where needed.

Oswald told the panel that the "more thoughtful plan of assistance" returned from the Administration drawing board should not be "a blueprint to further pauperize America." Such a plan, he said, should take note "of the past effects of runaway industries in the Caribbean countries and the current plight of the U.S. economy."

PETITIONS FOR an end to martial law and release of political prisoners in Poland are handed over to AFL-CIO Region VII Assistant Director John Lorden, second from right, by members of Knit Goods Local 155 of the Ladies' Garment Workers in New York City. The petitions contained 20,000 signatures, and are among thousands of others collected by AFL-CIO unionists since the military regime cracked down on the Solidarity free trade union. Shown are Local 155 executive board members Angie King and Josephine Werzechoski and Education Director Ruth Groeneveldt, and Local 155 President Murry Hendler.

Mediation Agency To Close 4 of 8 Regional Offices

The Federal Mediation & Conciliation Service announced the closing of four of its eight regional offices, effective Mar. 29, as a result of the Administration's budget cuts.

The reorganization move, first announced last October, will eliminate FMCS regional offices in Philadelphia, Cleveland, St. Louis, and Seattle. The four remaining offices—in New York, Atlanta, Chicago, and San Francisco—will be designated the agency's Eastern, Southern, Central, and Western regions.

Designed to reduce the FMCS workforce by 20 percent and cut $3 million from the agency budget without any loss of mediators, the reorganization plan was temporarily blocked last fall when employees filed suit contending that the cuts could not be carried out in the absence of a permanent director.

A settlement was reached to delay the reorganization, and Acting Director Kenneth E. Moffett was given a recess appointment to head the agency. He was sworn in as permanent director in January.

In the formal announcement of its reorganization plan, published in the Federal Register, the FMCS said notices of labor-management negotiation disputes should no longer be sent to regional offices but rather to its new Division of Case Control at its Washington, D.C. headquarters. Freedom of Information Act requests for copies of notices of bargaining disputes also should be sent to the division.

Mangling the Constitution

HOW IRRESPONSIBLE can Congress get? Are senators and representatives really willing to mangle the Constitution with an unworkable balanced budget amendment?

There is cause for concern. Sometime this spring, the Senate will take up the constitutional amendment that was endorsed by a startling 11-5 majority of the Judiciary Committee. It would compel Congress to adopt a balanced budget each year, unless three-fifths of the House and Senate agree to an exception. It would also write into the Constitution a ceiling on year-to-year increases in tax revenues.

Now, a balanced budget has a superficial appeal. Some senators apparently think it would be politically easier to vote for the amendment and gain the applause of a well-financed single-issue lobby than to explain to constituents why the concept is both wrong and unworkable.

THE EXPLANATION is not really all that difficult.

The amendment is wrong because the Constitution is a charter for government, not a substitute for the legislative process.

Even if it could be enforced, such an amendment would cripple the ability of Congress to respond to changing economic conditions. It would give a minority of the House and Senate an unjustified veto over the decisions of a majority.

It is unworkable because the surplus or deficit in a budget drawn up more than a year in advance is based on forecasts of economic conditions, interest rates and unemployment levels. These assumptions change from month to month, and the fiscal year may be almost over before the margin of error is down to a few billions of dollars. There is even now a gap of nearly $30 billion in the deficits forecast by the President's Office of Management & Budget and the Congressional Budget Office if the Reagan budget proposals were all adopted.

In case anyone has forgotten, Congress started off the 1980 fiscal year by projecting a balanced budget in response to a law requiring it to do so. The end result was a $59 billion deficit.

IF WE HAVE learned nothing else in these past three decades, it is that economic growth and full employment invariably produce budget surpluses and recessions produce huge deficits. That's true even when, as with the Reagan Administration, stringent spending cuts are imposed.

Most members of Congress are sophisticated enough to understand this, and under normal conditions there would be little risk that the required two-thirds of the House and Senate would adopt such a flawed constitutional amendment and send it to the states for ratification.

SPONSORS OF the balanced budget amendment, however, are counting on the concern of their colleagues that a constitutional convention to consider a balanced budget amendment may be compelled by petitions from state legislatures. A never-used procedure for initiating a constitutional amendment allows a convention to be called by 34 states. The number has already reached 31.

Labor shares that concern, and will fight in the state legislatures as well as Congress to prevent the mauling of the Constitution.

We expect responsible legislators and members of Congress of both parties to do likewise. It's time for principle—and political backbone.

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LANE KIRKLAND, *President*
THOMAS R. DONAHUE, *Secretary-Treasurer*

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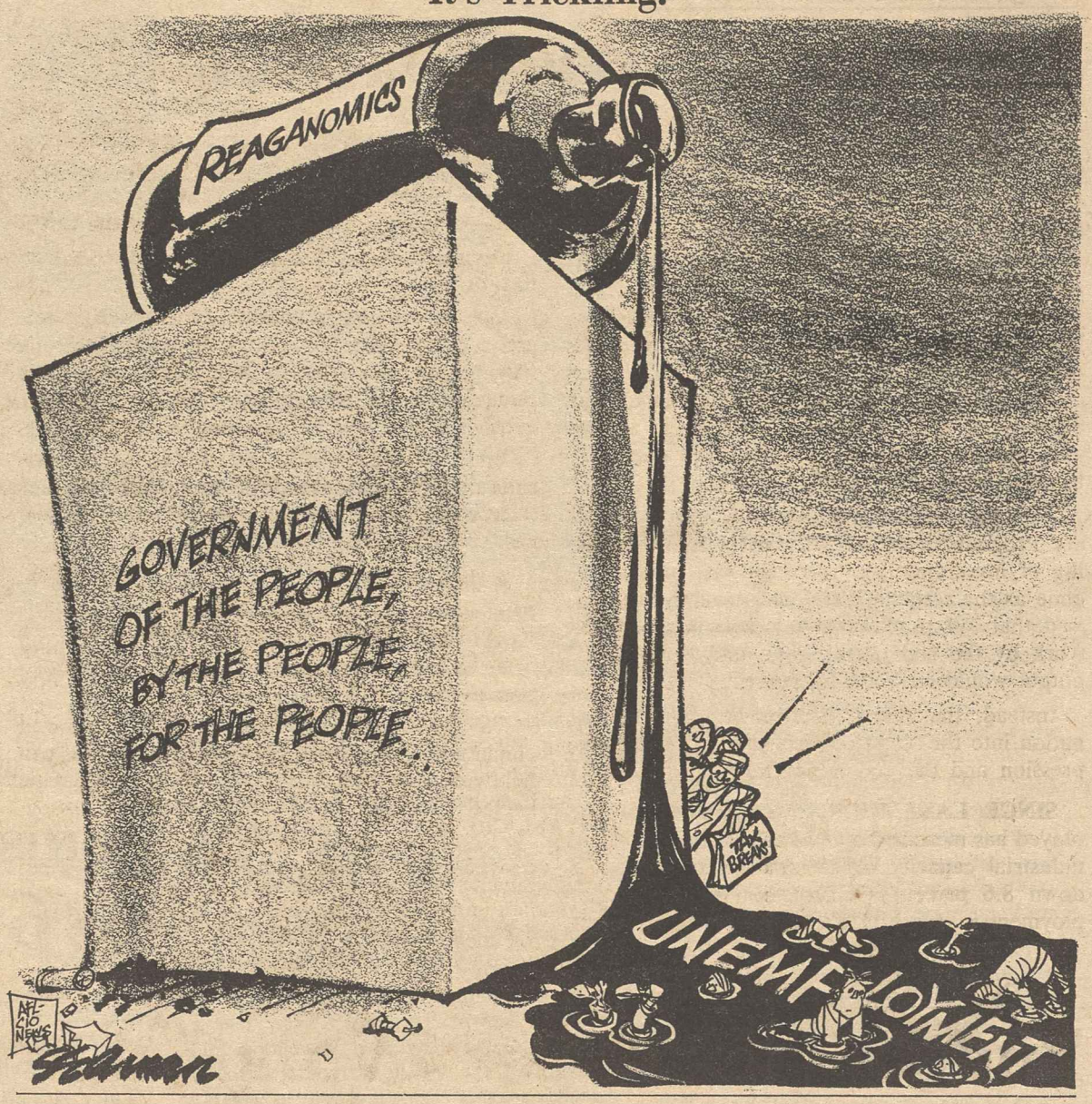

Leaving It to the 'Market'

Made-in-Japan Subway Cars Point Up U.S. Policy Failure

By Gus Tyler

I AM ANGRY and I don't know whom to hit. I would like to begin by hitting Richard Ravitch, the chairman of New York's Metropolitan Transit Authority because, at a time when unemployment is high in our country, he is buying subway cars from Japan. The cost will be more than a quarter billion dollars, a sum of money that could put many Americans to work.

But I can't really get angry with Ravitch, not only because I know that as a person he is totally dedicated to the public weal, but also because, as the responsible officer running the MTA, he is making what any businessman would consider to be the most prudent decision. He is getting the most for the money: graffiti-resistant cars at a good price.

HE IS GETTING something else. He is getting up-front money from the Japanese government whose import-export bank will advance the money to the Japanese manufacturer through a Japanese trading company that will, in turn, ultimately be paid by the MTA. The financing by the Japanese government is not only at hand, it is also rather easy with an interest rate that must be several points below what it is in the United States.

At this point, I don't know whether to be angry with the Japanese central bank that is behind all these financial ploys or with the American central bank—our very own Federal Reserve Board—that is responsible for our prohibitively high interest rates.

I find it difficult to be angry with the Federal Reserve Board, because I have been angry with them for so long that my wrath is now a bore. And I find it even more difficult to be angry with Japan's export-import bank for sucking in New York, because the Nippon bankers are only doing what comes naturally to any shrewd businessman. I can't be hostile with them just because they're smarter than some of our jerks.

SO I PUT the whole business out of my mind for a while, until my mind's eye looks into some future when I get into my good little old New York subway and see a stainless steel plaque on it reading "Made in Japan."

Don't we Americans have the intelligence to put together a subway car whose stainless sides will repel graffiti, carry passengers, and provide air-conditioning? It seems that we can't, and it seems that Japan can, although Japan will have to do so under abnormally difficult conditions. Forty-three percent of the parts for the cars will be made in the United States, shipped to Japan, assembled there, and then reshipped to the United States at a price to beat domestic production.

HOW CAN the Japanese do that? Simply by deciding to do it. If the Japanese government makes up its mind to beat the rest of the world in turning out highly modern subway cars, they rally their energies nationally; everybody gets behind the big push; the central bank puts up the money; manufacturers are encouraged to concentrate on this undertaking and get favored treatment for doing so; as they move out into the world market, they can keep their plants running all the time at full speed to cut or eliminate the costs of idle overhead.

We have no such process. We leave it to our car builders to do what they want to do. They may use their profits to hand out dividends, to peddle candy, to turn out roller skates, or just to buy out some other company.

Japan has a "policy." We leave it to the "market." So I guess I will be angry with the market.

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A One-Two Punch Against the Family

The one-two punch of reduced government services and deliberately induced recession has brought millions of American families to the brink of economic disaster. Perhaps worse than all the cuts . . . is the deadliest enemy of all for the American family—unemployment.

Yet, today's Washington policy-makers promote an economic game plan that will only deepen the recession. Our nation cannot afford less than a full employment economy.

—Service Employees President John J. Sweeney, Conference on Family & Work, Stillwater, Okla.

Targeted Programs Needed

Fighting the Reagan Recession

The following is from testimony by AFL-CIO Research Director Rudy Oswald to the House Ways & Means Committee, Mar. 30, 1982.

THE CRAZY-QUILT combination of the Reagan Administration's huge tax cuts, dismantled programs and sky-high interest rates is the direct cause of the present deep recession, high and rising levels of joblessness, and the budgetary mess. The inequities and imbalances of these programs have seriously undermined the capacity of the economy to turn itself around and regain the strength and resiliency necessary to move forward.

The Administration's failed Economic Recovery Program promised a "supply-side" outpouring of investment, output, jobs and public revenue as the result of the 1981 tax cut. It promised that 1.4 million more people would be at work by the end of the year, and the national output would grow by 4.2 percent.

Instead, the Administration has plunged the nation into the worst decline since the Great Depression and the end is nowhere in sight.

SINCE LAST JULY, the number of unemployed has increased by 1.8 million; 30 percent of industrial capacity is idle and factory output is down 8.6 percent. Construction industry unemployment is above 18 percent, housing starts are at historic lows and last week, the Commerce Dept. reported that business spending—despite the $14 billion that will flow in business tax incentives—is likely to fall by 1 percent in real terms.

Despite this, the Administration tells America to wait.

The investment numbers were made retroactive to January 1981, with no positive results thus far in either 1981 or 1982. The capital gains reductions were made effective in June of 1981 with no beneficial effects shown for the economy.

While we are asked to wait, 9.6 million Americans are jobless, thousands of Americans have had their mortgages foreclosed and business and personal bankruptcies are at a 40-year high.

A MAJOR EFFORT must be undertaken to create jobs and reverse the economy's downslide. At the same time, interest rates must be lowered and the federal government's dismal fiscal position should not be exacerbated.

This adds up to a need for a carefully balanced combination of direct targeted programs that can fight recession and cushion its effects, and drastic corrective surgery on last year's tax bill.

A complete about-face is essential to begin to revitalize the nation, to add a critically needed element of fair play to national economic policy and to prevent a worsening of the recession.

Trend to 'Disincentive'

Budget Sabotages 'Work Ethic'

WHATEVER HAPPENED to the "work ethic" that President Reagan said his program was supposed to promote?

It went down the pipe. In fact, under Reagan's present budget proposals a trend begun by his last year's budget will accelerate rapidly. That trend is "work disincentive."

A study by the University of Chicago bears this out. It finds that proposed further cutbacks in welfare and food stamp benefits will make it more attractive for the needy to rely entirely on government help than to work at the low-wage jobs available to them.

THE CHANGES would penalize recipients for any work by sharply chopping benefits they receive while employed.

The study showed, for example, that in New York State, under the President's proposal, a family with no earnings—consisting of a mother and two offspring—would receive on the average, $508 a month in welfare, food stamps and energy assistance.

If the mother were to work at a job whose gross pay was $486 a month—the average in the state for working welfare recipients—work-related expenses like child care would cut the total family income to $40 *less* than if it relied on federal benefits alone.

With the new Reagan budget proposals go the last wee strands of the Administration "safety net" that was supposed to protect the "truly needy."

MEANWHILE, yet another analysis of the new Reagan budget demonstrates that among the biggest losers would be children and needy pregnant women.

The Children's Defense Fund said more than 750,000 pregnant women would become ineligible for a federally supported pre-natal nutrition program. It pointed out, too, 100,000 more families would lose day-care services on top of the 150,000 that lost them in last year's budget, and that more than half the 5.8 million children in compensatory education programs would be dropped from them.

The CDF report charged, "President Reagan has preyed on the fears and resentments of those Americans who want to believe that most welfare recipients cheat—they don't. . . . What he has not told the American public is that 70 percent of the 'welfare cheats' he is ridding us of are children."

—Memo from COPE

Bargaining Stall

NFL Owners Threaten Season

HOPES FOR an uninterrupted 1982 professional football season are dimming as team owners lobby Congress for exemption of their billion-dollar industry from the antitrust laws instead of meeting with the players' union to hammer out a new contract, President Ed Garvey of the Federation of Professional Athletes warned on Labor News Conference.

Garvey said key owner representatives and the NFL commissioner's office, both essential to reaching agreement with the union, have been "ducking the collective bargaining sessions" that opened several weeks ago. He said the NFL Players Association has set a fixed percentage of gross revenues for player compensation and the right of players to choose the doctors and surgeons who treat their injuries as primary goals in this year's bargaining.

THE OWNERS have "resisted rather vigorously" sharing the ticket, parking and concession revenues going to the teams, Garvey said, and have rejected the players' key contract goal for a share of the new $2 billion TV deal. But, he added, "we're hopeful that as we get to serious negotiations, they'll see that it's really better for them as well as for the athletes."

Appearing with Garvey on the AFL-CIO produced network radio program was NFLPA Rep. Roy Jefferson, who stressed that the athletes are "the product—the raw material that is producing all of these increased league revenues," and should be sharing in them.

Jefferson predicted that the owners will try to pin the union with the charge that the players are "out to gouge the public and the fans," but he said that claim just won't stand up.

THE PLAYERS have no interest in controlling the league, he asserted, but want only a fair share of the profits their talents and skills produce. He pointed out that the owners have also rejected the union's proposal to freeze ticket prices—a concession to the public that he said the highly profitable industry can well afford to make.

Reporters questioning them were Dale McFeatters of the Scripps-Howard Newspapers and Robert Cooney of Press Associates, Inc.

Washington Window

By Press Associates, Inc.

NOW THAT THE JOKES about South Succotash have about run their course, perhaps it's time to be a little more serious about what's happening to real people.

In his interview with the Daily Oklahoman, President Reagan complained that the television networks were keeping up a "constant downbeat" of news about the unemployed.

TV is an entertainment medium, Reagan asserted, "and they're looking for what's eye-catching and spectacular." Then he asked: "Is it news that some fellow out in South Succotash someplace has just been laid off that he should be interviewed nationwide or someone's complaint that the budget cuts are going to hurt their present (federal) program?"

Yes, Mr. President, it is news. It is news, and not entertainment, when the Administration's policies lead to millions of unemployed and individual misery. It is newsworthy when the Administration pretends it is maintaining a "safety net" for the needy while it is actually slashing funds and eliminating programs that have meant the margin between survival and suffering.

A CLEAR EXAMPLE of the Administration's penny-wise, pound-foolish approach came in a recent congressional hearing on the Senior Community Service Employment Program, Title V of the Older Americans Act. This program supports 54,200 elderly low-income persons in part-time community service jobs. They average $3.47 an hour.

Congressional aides were astonished when they learned the Administration was "zeroing out" the program this September to save $277 million.

Three-fourths of those funds are set aside for eight national sponsors: the U.S. Forest Service, National Council of Senior Citizens, National Council on Aging, National Farmers Union (Green Thumb), National Retired Teachers Association, National Urban League, National Center of Black Aged, and National Association for Spanish-Speaking Elderly. The remaining 24 percent goes to state government programs.

Rep. Ike Andrews (D-N.C.), chairman of the Human Resources panel, said he received 400 letters in two weeks protesting the end of the program. He read a few excerpts:

- 67-year-old Juan Rios of Toledo, Ohio, wrote that "I have a feeling that I can still be of value to my community, in spite of medical problems with my legs, which might make outside employment impossible to find. I am working in one of Toledo's three tool-lending libraries. . . ."
- 67-year-old Mary Auringer of Monterey, Calif., wrote: "I've been working for the Senior Aides Program for five years. I feel very sad because the President is going to discontinue our program. . . . I can't get along without it. I'll have to go on welfare, which I don't want to do. . . ."
- Lelli K. Jones, one of those receiving help, wrote: "I have an aide who does my housework that I am not able to do. I am 82 and have arthritis real bad. I have only my social security as a means of livelihood and don't have the money to go in a rest home."
- Desane A. Espinoza told the panel about a project in Buffalo and Erie County, N.Y., that has 150 enrollees from the Council of Senior Citizens and the State Office for the Aging working as home health aides, van drivers and job placement specialists.

THERE IS STRONG bipartisan support in Congress for the senior aides program, support ranging from liberals to conservatives, and it likely to prevail.

The White House image-builders are concerned that the President's policies are seen as unfair to the poor and needy. So they had him photographed heaving sandbags in the Fort Wayne flood. It would be much better if he would stop "sandbagging" worthwhile federal programs.

CONTINUED STALLING by National Football League owners in contract talks with the players' union could jeopardize the 1982 season, NFLPA Rep. Roy Jefferson, second from left, and Executive Director Ed Garvey warned. They were questioned on Labor News Conference by Robert Cooney, left, of Press Associates, Inc., and Dale McFeatters, right, of Scripps-Howard Newspapers. The AFL-CIO public service program is broadcast weekly on Mutual radio.

RECEPTION HONORING Dolores Huerta, first vice president of the Farm Workers, was held at the AFL-CIO headquarters as part of the International Women's Day observance. Joining in the tribute to Huerta, second from left, are Rudy Mendoza, district representative of the Communications Workers; AFL-CIO Vice President Joyce Miller, and Vice President Jack Otero of the Railway & Airline Clerks, right. The reception was sponsored by the Coalition of Labor Union Women, National Women's Political Caucus and Labor Council for Latin American Advancement.

Tighter Regulations Opposed For Personal Bankruptcies

People who are drowning in debts should continue to have the option of declaring bankruptcy, the Auto Workers urged at House hearings.

The consumer credit industry is trying to get Congress to amend a 1978 law that it contends made it too easy for individuals to use bankruptcy proceedings to get out from under an accumulation of debts.

ITS BILL, sponsored by Rep. Billy Lee Evans (D-Ga.), would deny bankruptcy to a debtor who might be able to pay off a "reasonable portion" of accumulated debts on the basis of "anticipated" future income over the next five years.

An attorney with the UAW Legal Services Plan in Newark, Del., which serves workers at a Chrysler Corp. assembly plant there, told a House Judiciary subcommittee that bankruptcy is the "only remedy" for many workers who were encouraged to get into debt through easy credit and were unable to continue payments when hit by unemployment or curtailment of working hours.

These people are not trying to beat the system through manipulation of bankruptcy laws, Atty. Christopher N. Giuliana told the panel.

WHEN FULLY employed, they were encouraged to make purchases on credit, he noted. "But as unemployment reduces income, less can be paid on the bills. In a process encouraged by creditors, debtors will pay one creditor at the expense of another. Utilities threaten to cut off service. . . . Banks threaten to repossess automobiles. . . . Finance companies badger debtors into refinancing at higher rates. . . . Many unsecured creditors, particularly medical providers, hire debt collectors to recover"

The UAW testimony suggested that the rise in unemployment, not the 1978 modification of previous law, brought about the recent rise in personal bankruptcies. The changes enacted by Congress then were designed to correct abuses, the union noted, and the rise in bankruptcies is in line with previous recession periods and caused in part by encouragement of risky credit purchases.

CONGRESS SHOULD assess experience under the law in more normal economic conditions before considering changes, the union said.

Meanwhile, the Ladies' Garment Workers has launched a counter-effort to the credit industry's legislative push. An ILGWU legislative memo notes that business bankruptcies have also taken a sharp rise, and stresses that "economic improvements" are needed, not changes in the bankruptcy laws.

Wages Not the Villain

Woodworkers Delegates Vote to Bar 'Give-Backs'

Portland, Ore.—Despite an unemployment rate above 30 percent in the forest products industry, some 300 delegates to the 32nd convention of the Woodworkers unanimously endorsed a policy of "no give-back" in current or future collective bargaining agreements.

IWA President Keith Johnson told the delegates, composed about equally of Americans and Canadians, that "wage costs have nothing to do with why forest products are not selling." He said the industry is in trouble for four major reasons:

- "It is part of a system where greed for large, short-term profits dominates all other considerations.
- "Soaring interest rates make building and buying homes beyond the financial reach of the vast majority of North American citizens.
- "The monetary policies of both countries are designed to keep interest rates and unemployment high.
- "Historic management policies of the industry have shrunk forest resources to the point that they cannot support continuous production and full employment."

DOUG EVANS, a delegate from Vancouver, B.C., cited the example of a sawmill in northern Washington State where the crew recently took a 25 percent wage cut "amidst much fanfare and publicity." Two weeks later, Evans noted, the mill closed "without any fanfare or publicity."

"We could work for free and it wouldn't create a single job," he declared.

Industry sources recently revealed that logs from public lands account for nearly 80 percent of the operating costs for mills that depend on those logs for raw materials.

THE CONVENTION adopted a series of resolutions intended to make timber available at lower costs through intensive forest management, an end to speculative bidding in timber sales, and increased allowable cuts from national forests. It also reiterated the IWA's strong opposition to the export of raw logs and the tax advantages enjoyed by log exporters due to the so-called Domestic International Sales Corporations (DISC) loophole.

The delegates also resolved to increase the IWA's political efforts by establishing a union political action fund—WOODPAC—to receive and raise voluntary contributions.

Johnson, along with Vice Presidents Fernie Viala and Bud Rahberger and Sec.-Treas. Bob Gerwig, were re-elected to four-year terms by acclamation.

MAJOR SPEAKERS included former Vice President Walter Mondale, Machinists' President William Winpisinger, Furniture Workers' President Carl Scarbrough, President Howard Samuel of the AFL-CIO Industrial Union Dept. and the Rev. Robert Drinan, president of Americans for Democratic Action.

Also addressing the convention were John Lofblad, general secretary of the International Federation of Building & Woodworkers; Lyle Kristiansen, New Democratic Party member of the Canadian Parliament and also an IWA member, and Jim Youngdahl, IWA general counsel.

Safety Conference To Explore Slash In OSHA's Role

The AFL-CIO's second Conference on Occupational Safety & Health will focus on the impact of the federal retreat in protections against workplace hazards. The sessions will be held in Washington, May 23-25.

In announcing the national conference, Federation President Lane Kirkland noted that the Reagan Administration is continuing its efforts "to unravel the fabric of the Occupational Safety & Health and Mine Safety Acts as a major part of its campaign to do away with the proper and necessary regulation of business."

Kirkland pinpointed several areas where the Administration has moved to undercut worker safeguards, including reduced enforcement, shutdowns of local OSHA offices, attempts to weaken standards, and slashes in worker safety training grants.

He urged federation affiliates to participate fully in the conference. Major speakers, in addition to Kirkland, will include AFL-CIO Vice President J. C. Turner, chairman of the federation's Standing Committee on Occupational Safety & Health; COPE Director John Perkins, and Dr. Eula Bingham, OSHA administrator during the Carter Administration.

A series of workshops on safety programs and political action is slated for the conference, AFL-CIO Occupational Safety Director George H. R. Taylor said.

Reagan Policies 'One-Two Punch' for Families

Stillwater, Okla.—The Reagan Administration's mismanagement of the American economy could "wreck" millions of American families, Service Employees President John J. Sweeney charged.

"The one-two punch of reduced government services and a deliberately induced recession" has brought many families "to the brink of economic disaster," Sweeney warned in remarks prepared for the Conference on Family and Work held at Oklahoma State University here.

THE CONFERENCE was sponsored by the university's Family Studies Center and the American Association of University Women with funding from the Oklahoma Humanities Committee and the National Endowment for the Humanities.

Sweeney charged that instead of making full employment its primary goal, the Administration has adopted an economic "game plan" that will only deepen the recession. He blamed the Administration for the lack of policies to check unemployment and create jobs, inflation-fueling high interest rates, cuts in social programs that benefit families and a tax policy that transfers wealth to the rich and corporations.

"The impact of these national economic policies on American families has been devastating," Sweeney said, stressing that the labor movement will continue to fight "for decent and humane public policies designed to assure the continued survival of the American family as we have come to know it."

ORGANIZED LABOR has a long record of concern for family stability, Sweeney said, pointing out that for workers and for the poor, keeping a family together has always been difficult.

"Their struggle to survive and prosper in our economy has always been intense, and economic pressures have always translated into social problems for American workers and their families," he said, while agreeing that today's social and economic climate is transforming some aspects of family life.

He noted that the labor movement had led the fight for child labor laws, the minimum wage, workers' and unemployment compensation, along with public education, safety and health laws, consumer laws and many other "supportive programs that could enhance workers' ability to nurture and care for their families."

HE CRITICIZED politicians who label other candidates "pro-family" or "anti-family" and who have used the issues of the changing role of the family "to allege that many of the social programs of the past half-century are to blame for the break-up of the American family."

"Such allegations are false," Sweeney asserted.

Social legislation was designed, he pointed out, "to produce a living wage for working families" and to protect them from "the worst boom-or-bust economic cycles."

Sweeney, an AFL-CIO vice president, said that during the 1980 White House Conference on Families, the federation pressed for more programs to solve "the many unmet needs in America's social agenda" to aid families, including health care, education, social services, and welfare. Equally important are programs to provide jobs and training to fight discrimination.

BUT THE PAST two years "have seen an all-out attack on many critical social programs" meant to help families, Sweeney said.

The statistics, he said, show that "most of the victims of these cruel cutbacks are women and children." And among the worst cuts, Sweeney charged, were in social programs that aid the jobless and reduce unemployment, "the deadliest enemy of all for the American family."

Changes in the workplace, in the nature of the economy and in a workforce that now includes more than half of all women and 45 percent of all mothers are affecting family life, Sweeney pointed out. He emphasized that these changes call for "decent social and economic legislation, not useless rhetoric."

HE NOTED that the labor movement, including the Service Employees, uses the bargaining process to negotiate solutions to problems "we cannot wait for politicians to solve." This includes bargaining for adequate day care programs, flexible working hours and critically needed training and job upgrading programs for women workers, Sweeney said.

The key issues, he stressed, are the need for equity, especially in the area of equal pay for work of comparable value, and an end to discrimination in hiring.

The United States can have a society "which protects American families, especially mothers and children," and "which provides a decent paying job for every one who wants to work—and supportive services for the families of working people," Sweeney concluded.

The national will to reach this goal exists, he said, but what is needed is to "alter the directions of government policy being promoted in Washington today . . . to return to a government of the people, run by the people for the common benefit of all the people, not just the affluent few."

Bell System, CWA Agree On Job Rights

The Communications Workers reached agreement with the American Telephone & Telegraph Co. on a comprehensive employee protection measure that guarantees wages, benefits, and other job rights during and after the planned breakup of the giant telecommunications firm.

The agreement, which followed six weeks of talks between union and Bell System officials, affects about 60 percent of the more than 500,000 unionized workers at AT&T. The International Brotherhood of Electrical Workers and the unaffiliated Telecommunications International Union, which still are negotiating employee protection plans, represent the rest.

UNDER THE TERMS of the CWA agreement, workers who are "transferred as a part of their work group or organization in connection with any corporate reorganization of the Bell System" are protected against loss of employment, salary or wages, credited service, and changes in conditions of employment for seven years from the date of transfer.

"We have overcome one of the most serious problems we faced because of divestiture," CWA President Glenn Watts observed. "Now that we know employee interests will be protected, we can go on to other matters."

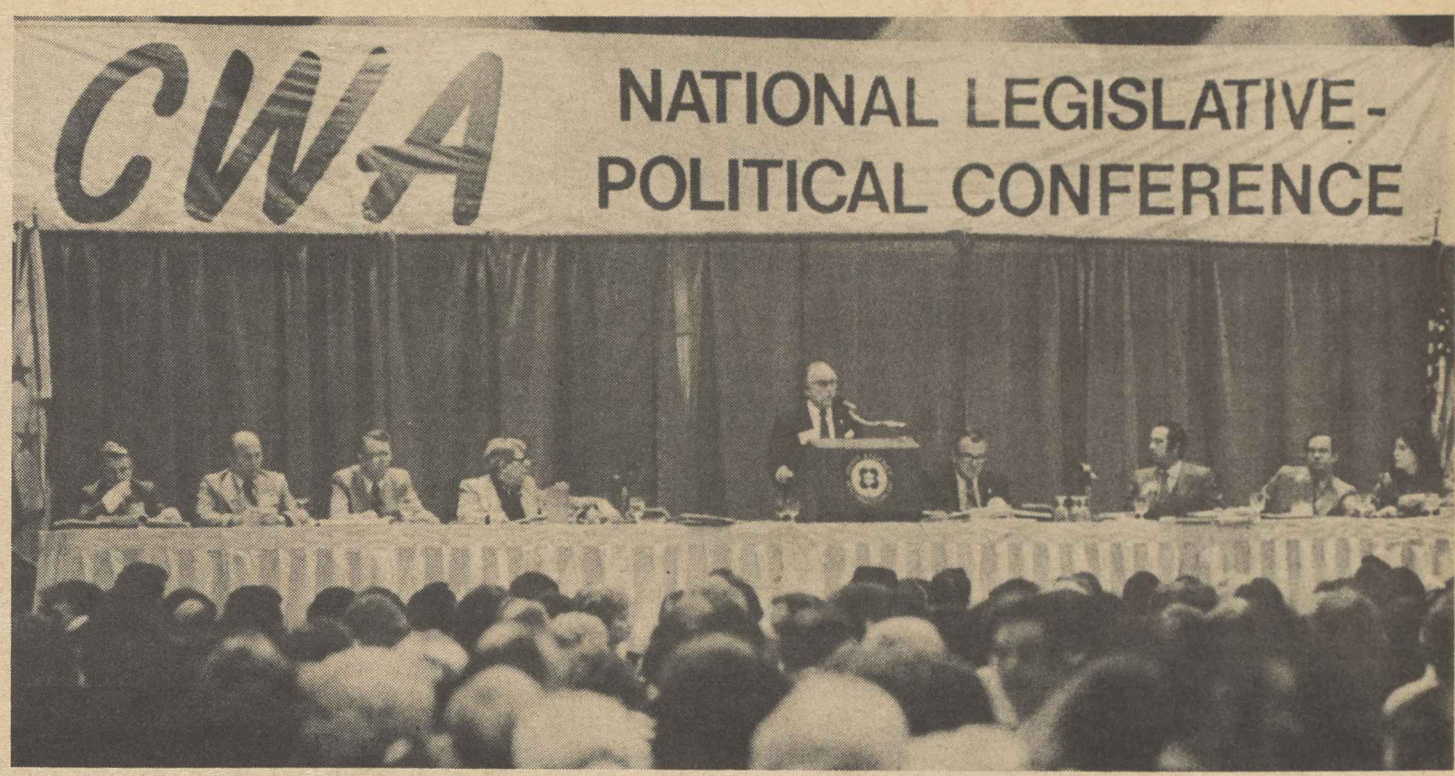
In addition to basic job benefit guarantees, the agreement covers transfer and relocation allowances, pension benefits, disability benefits, and insurance. Workers who must relocate will receive the greater of the transfer benefits offered by their former and new employer.

AT&T PROMISED the Justice Dept. on Jan. 8 that it would divest itself of 22 local telephone companies with combined assets of about $80 billion. In February, the company proposed to restructure the 22 companies into seven regional corporations.

The job-protection accord, which went into effect Mar. 26, amends and broadens a provision in the union's 1980 contract, which expires next year.

New provisions include a prohibition on wage cuts and layoffs during a six-month period before the establishment of a new subsidiary or divestiture of a company. The parties also agreed that new employers may offer workers downgrades in lieu of layoffs and that employees making that choice would have preferential rights to job restoration.

The operating companies to be spun off by the AT&T divestiture are Pacific Telephone & Telegraph, Bell Telephone of Nevada, Illinois Bell, Indiana Bell, Michigan Bell, New England Bell, New Jersey Bell, New York Telephone, Northwestern Bell, Pacific Northwest Bell, South Central Bell, Southern Bell, Southwestern Bell, Bell Telephone of Pennsylvania, Chesapeake & Potomac Telephone of Virginia, C&P of Maryland, C&P of Washington, D.C., C&P of West Virginia, Diamond State Telephone, Mountain States Telephone, Ohio Bell, and Wisconsin Telephone.



SUPPLY-SIDE ECONOMICS espoused by the Reagan Administration is directly responsible for the nation's sharp rise in unemployment, President Glenn E. Watts of the Communications Workers charged at the CWA's three-day legislative conference in Washington. He told the 1,200 delegates that the White House also has shown "moral meanness" by its indifference to civil rights, rejection of the Equal Rights Amendment and slashes in services for the poor.

Teachers Score Proposed Cuts in Education Funds

The American Federation of Teachers has urged Congress to reject Administration budget proposals that would wipe out nearly all federal aid to education.

The American people support education and are willing to pay for it, AFT Legislative Director Gregory Humphrey testified. "Every poll in recent years demonstrates this fact," he told a House Appropriations subcommittee that is considering funding of education programs.

One of the biggest proposed cuts, he noted, would be in Title I services, which include special reading and tutoring assistance for educationally deprived children in poor neighborhoods.

The Reagan budget would eliminate more than 2 million children from this program, Humphrey testified, and lay off more than 150,000 teachers, paraprofessionals and other school aides.

Report Seen Exaggerating Social Security Problems

(Continued from Page 1)

deficit. A law allowing limited inter-fund borrowing, to deal with temporary fluctuations, expires this year.

The trustees report warned that the social insurance programs will run out of money next year and even if the trust funds were combined, only favorable economic conditions would avoid a crisis during the 1980s.

SEIDMAN SAID the temporary shortfall of funds that are projected during the 1980s "can be handled by extension of the present authority to borrow between trust funds and a back-up provision to permit borrowing from general revenues."

If borrowing proved necessary, he said, the money could be paid back out of the surplus anticipated for the old age, survivorship and disability program (OASDI) after 1990.

"The problems of Medicare costs will have to be dealt with by controlling the runaway inflation in overall health costs," Seidman said. "This will require effective health care costs controls" and would best be achieved under a national health insurance program.

TWO FORMER heads of the Cabinet department that oversees the social security system, Wilbur J. Cohen and Arthur Flemming, strongly concurred that nothing in the trustees' report justifies any cut in benefits.

Cohen, who was Secretary of Health, Education & Welfare in the Johnson Administration, and Flemming, who held the post under President Eisenhower, said the basic OASDI program "is essentially in sound financial condition, at least for the next 35 years and perhaps longer."

Their statement, issued on behalf of the Save Our Security coalition, said the long-run financing of hospital insurance should be dealt with separately, "with the emphasis on cost controls."

THEY URGED, as did Seidman, authority for temporary borrowing from the Treasury for the OASDI programs, noting that "the Treasury has, for years, been borrowing from social security." Since the trust funds were required to be invested in government bonds, "we see nothing wrong in a turnabout for a few years to help keep the system going."

Cohen and Flemming stressed that the trustees' report shows "no need for any cutbacks of any kind in the protection which social security offers for retirees, for workers disabled during their productive years, and for spouses and dependent children left behind when the family breadwinner dies."

April Calendar Announced By Labor Studies Center

The George Meany Center for Labor Studies has scheduled four leadership development programs for April. They deal with advanced computer systems, public communications, organizing and civil rights.

Four unions, the AFL-CIO Dept. of Legislation and the American Institute for Free Labor Development (AIFLD) will use the campus for their own training programs during the month. The schedule:

Public Communications for Public Employee Unions, Apr. 18-23—A workshop to give leaders of public employee unions a practical background for handling PR for their own unions. Co-sponsored by the AFL-CIO Public Employee Dept.

Advanced Computer Workshop, Apr. 19-20—A course for those who run computers for labor organizations and are interested in upgrading the system. Richard Drennan, AFL-CIO director of data processing, is the principal teacher.

Organizing Techniques, Apr. 18-23—An institute on the essentials of a successful organizing campaign. Labor Board procedures are reviewed.

Effective Union Action for Civil Rights, Apr. 25-29—The AFL-CIO Dept. of Civil Rights annual conference for civil rights and women's rights representatives of federation affiliates.

Unions using the campus for their own leadership training during April are the Iron Workers, Apr. 4-8; Asbestos Workers, Apr. 13 and 16; State, County & Municipal Employees, Apr. 14-16 and 25-30; Oil, Chemical & Atomic Workers, Apr. 15 and 16.

The Dept. of Legislation has scheduled its annual conference of union legislative representatives Apr. 13-15.

The AIFLD's 101st class—39 Latin American trade union leaders—will be graduated Apr. 23.

The annual meeting of the center's trustees is set for Apr. 28.

Information on these and other labor studies programs may be obtained from Fred K. Hoehler, Jr., executive director, George Meany Center, 10000 New Hampshire Ave., Silver Spring, Md. 20903. Telephone 301/431-6400.

Enterprise Zone Plan Denounced

(Continued from Page 1)

who is assistant director of the Federation's Dept. of Economic Research, said inner cities need "social services and public investments. This plan is the antithesis of public investment. It's public disinvestment."

Cantor added that Reagan's proposal could turn out to be "a Trojan horse" for other enterprise zone legislation which could weaken federal and local standards even more than the President's bill.

Legislation to set up enterprise zones was first introduced in 1980. A pending bill with similarities to the Reagan proposal is sponsored by Reps. Jack Kemp (R-N.Y.) and Robert Garcia (D-N.Y.).

Rev. Charles Webber, Labor Minister, Dies

New York—The Rev. Charles C. Webber, a Methodist minister who retired from the AFL-CIO staff in 1962 as national representative for religious relations, died Mar. 20 at Amsterdam House Nursing home here. He was 89.

Webber had been president of the Virginia CIO from 1946 to 1953 and was with the Clothing Workers as an organizer during the 1930s and a national representative in the 1940s.

While serving as a pastor in the early 1920s, Webber organized and headed the Denver Labor College. He also held pastorships in Pittsburgh and New York before joining the faculty of Union Theological Seminary in 1927. He taught there until 1936, and later served as executive secretary of the Methodist Federation for Social Service. Webber joined the AFL-CIO staff in 1955.

Coalition Outlines Plan To Curb Health Costs, Save Basic Programs

(Continued from Page 1)

The costs of health care will not disappear and neither will the people who need it, Donahue stressed in the statement read by AFL-CIO Social Security Director Bert Seidman.

The main features of the labor-supported plan are:

- Comprehensive cost containment across the entire health care system—public and private—including hospitals, nursing homes, doctors and other professional health service providers.
- A flexible requirement of state responsibility for the cost control process, including prospective budgeting to help set state ceilings on hospital and nursing home payments based on past experience with an allowance for inflation.
- A ceiling on reimbursements to physicians and other professional providers equal to current levels plus an allowance for inflation in overhead costs.
- A set rate schedule for laboratory and X-ray services worked out by representatives of public agencies, Medicare intermediaries, providers, insurance companies, consumers and laboratory and X-ray organizations.
- Encouragement of new health maintenance organizations.
- A national professional advisory committee to examine new procedures and technologies and advise on their appropriations and on fee schedules.
- Stepped-up development of programs to meet the long-term care needs of the elderly and disabled.

SINCE HOSPITALS are the largest single source of personal health expenditures, control of their cost increases is at the center of the plan, the council said.

It suggested that putting cost controls in the hands of the states, under specific guidelines, would make the system more cost efficient and effective, since they are closer to the actual delivery system.

Medicare would continue as a federal program with full control on eligibility and benefits, and the government would continue to monitor the operations of the program to make sure federal law and policies are met.

IN THE CASE of nursing homes, the council's plan emphasized that while cost containment is essential, "it must not jeopardize decent staff and facility standards."

The program could provide about $11 billion in savings in the first two years in expenditures for Medicare, Medicaid, and other personal health services, yet without the cuts in benefits or eligibility proposed by the Reagan Administration, the council said.

Also, states could look for about $3 billion to come back to them as incentive payments under Medicaid in the first two years.

About $7.5 billion a year in savings on insurance and out-of-pocket payments would be felt in the private sector, the council estimated.

DONAHUE warned that if the Administration's proposals are enacted, "all of us will pay dearly and not only in money." Hospitals would be encouraged to turn away Medicare patients, employers could lay off older workers whose health insurance would cost more, national immunization programs and health services for mothers and children would be cut while doctors' fees and hospital charges would soar to new record levels.

The Administration's so-called competition proposal is a "disaster," Donahue said. It would "pretend to control costs" with a ceiling on employer payments for health insurance, and increase pressure for cutbacks in health coverage achieved through collective bargaining, he said.

He pointed out that a "tax gimmick" would lure employers into abandoning hard-won, high-option health insurance plans for lower-grade coverage and that proposed Medicare "vouchers" would diminish already inadequate health care protection for millions of elderly and severely disabled persons.

THE VOUCHER scheme would give Medicare recipients the option of staying in the program or dropping out and receiving a voucher to buy a private health insurance policy. With everyone getting the same amount of funds, and with a cash rebate offered if a cheaper plan were purchased, the elderly would be faced with another gamble on their future health care needs, the council warned.

Donahue stressed that the council's cost containment plan would save money without drastic cuts. "The real decision-makers —those who provide and sell health services" would be given strong incentives to bring health care inflation under control, he said.

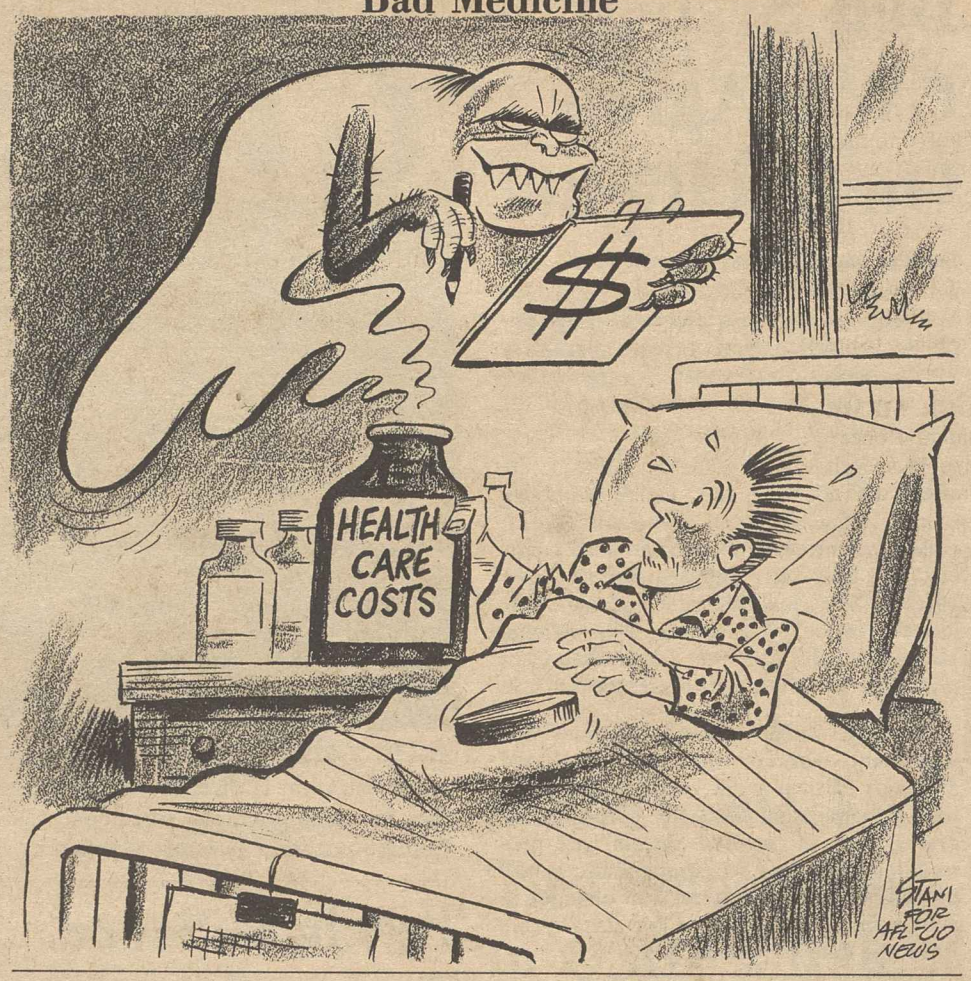
He emphasized that the new plan would also protect collectively bargained compensation for health care employees.

FOOD & COMMERCIAL Workers President William H. Wynn told reporters at the press conference that labor backs the council's plan because it is "a constructive way of dealing with a complex and troubling problem."

As inflation erodes protections won in collective bargaining, he said, more and more of the bargaining package must go toward "high priority" health benefits. Improvements in health plans are harder to get, and "as health care costs outrace everything else, there is less left for increases in wages, pensions and other benefits," Wynn said.

HEALTH CARE COSTS can be successfully controlled without wiping out Medicare, AFL-CIO Social Security Director Bert Seidman stressed at a Washington press conference called by Health Security Action Council to outline its new comprehensive cost containment plan. From left are Jacob Clayman, president of the National Council of Senior Citizens; Food & Commercial Workers President William H. Wynn; Auto Workers President Douglas A. Fraser, who chairs the council; Willard McGuire, president of the National Education Association; and Ruth Kobell of the National Farmers Union.

Bad Medicine



Investment Disclosure Sought On Public Sector Pensions

Employees of state and local government have a right to know how their retirement funds are invested, the AFL-CIO Public Employee Dept. insisted at Senate hearings.

Service Employees President John J. Sweeney, who testified as executive vice president of the 34-union department, said federal legislation is needed because safeguarding the pension rights of some 11 million public workers and retirees is "a national concern."

THE ASSETS of the 6,000 separate plans total more than $200 billion, he noted. But many of the workers who are dependent on these funds for promised retirement benefits are kept in the dark about the administration of the funds.

Sweeney said conflicts of interest on the part of public employers may be a factor in the unusually low return on investment of public retirement funds. "Large segments of the assets held by pension funds are managed in the interest of those who control the funds rather than in the interest of those for whom the funds are intended to provide benefits," he charged.

Sen. John H. Chafee (R-R.I.), chairman of the Senate Finance subcommittee holding the hearings, has introduced legislation that the PED said would represent "a meaningful step toward protecting the retirement benefits of public workers."

Sweeney welcomed provisions for furnishing all participants in a public retirement system with copies of the retirement plan and information about its administration.

HE SAID the PED "strongly supports the regulation of fiduciary responsibilities" and provisions to assure that funds are prudently invested to benefit employees.

The department also endorsed establishment of an advisory council as a step "toward establishing minimum benefit guidelines."

House hearings have already been held on a companion labor-supported bill by Rep. Phillip Burton (D-Calif.).

Newspaper Guild Raising Funds for Polish Journalists

The Newspaper Guild announced it has set up a fund to assist Polish journalists forced from their jobs since imposition of martial law in Poland last December.

The move follows the Polish government's dissolution of the Polish Journalists' Association on Mar. 19. The military regime that governs Poland charged that the association, which backed the independent Solidarity trade union, "undertook actions conducive to the dismantling of state and social institutions of public information." In its place, the government set up the Journalists Association of the Polish People's Republic.

Guild President Charles A. Perlik, Jr., said that in dissolving the Polish Journalists' Association, the junta trampled "any lingering hope that its martial rule over a terrorized population would be only temporary and that free trade unions would be allowed to lift their heads once again."

Perlik said the Journalists Association of the Polish People's Republic "is the voice of no one but the discredited government that created it," and that repression is mounting against members of the Solidarity-linked union dissolved by edict.

Sixty journalists have been arrested since the declaration of martial law, and others have been forced underground, he observed. Still others, deprived of a livelihood, face starvation with their families in the months ahead, he said.

Perlik said the Guild is asking its locals and members to contribute to the fund.

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Building Trades Send Angry Message to Reagan

AFL-CIO News

Vol. XXVII Saturday, April 10, 1982 No. 14

By David L. Perlman

America's building trades workers want Congress and President Reagan to scrap failed economic theories and switch to programs that will produce jobs for the unemployed.

That's the clear message from a three-day national legislative conference of the AFL-CIO Building & Construction Trades Dept., attended by some 4,000 local union leaders from every part of the country.

"OUR MEMBERS are angry," BCTD President Robert A. Georgine reported in a keynote speech that was punctuated by applause and shouts of assent.

Georgine spoke of the anger stemming from depression-level unemployment in an industry stalled by high interest rates and a simultaneous slash in government construction of needed public facilities.

He cited also the anger of construction workers denied unemployment compensation because of new restrictions on eligibility and curtailment of extended benefits.

"Don't tell us the eligibility rules were tightened to catch the cheaters and loafers, because our members aren't cheaters or loafers," he said as the delegates erupted into applause.

And members whose taxes have funded the food stamp program "are angry about being denied food stamps when they need them."

There's "a new militancy" among building trades members, Georgine said, and "those members of Congress who want labor's support in November will have to support labor in April."

PRESIDENT Reagan and Labor Sec. Raymond J. Donovan asked the delegates to give the Administration's economic program a longer chance to take hold, but the reaction of the delegates made clear their belief that Reaganomics has had a fair chance—and failed.

AFL-CIO President Lane Kirkland had the obvious concurrence of the delegates when he made the point this way: "If you see a house burning, if you see a ship sinking, a man drowning, do you give it more time?"

Kirkland called on Congress to "undo

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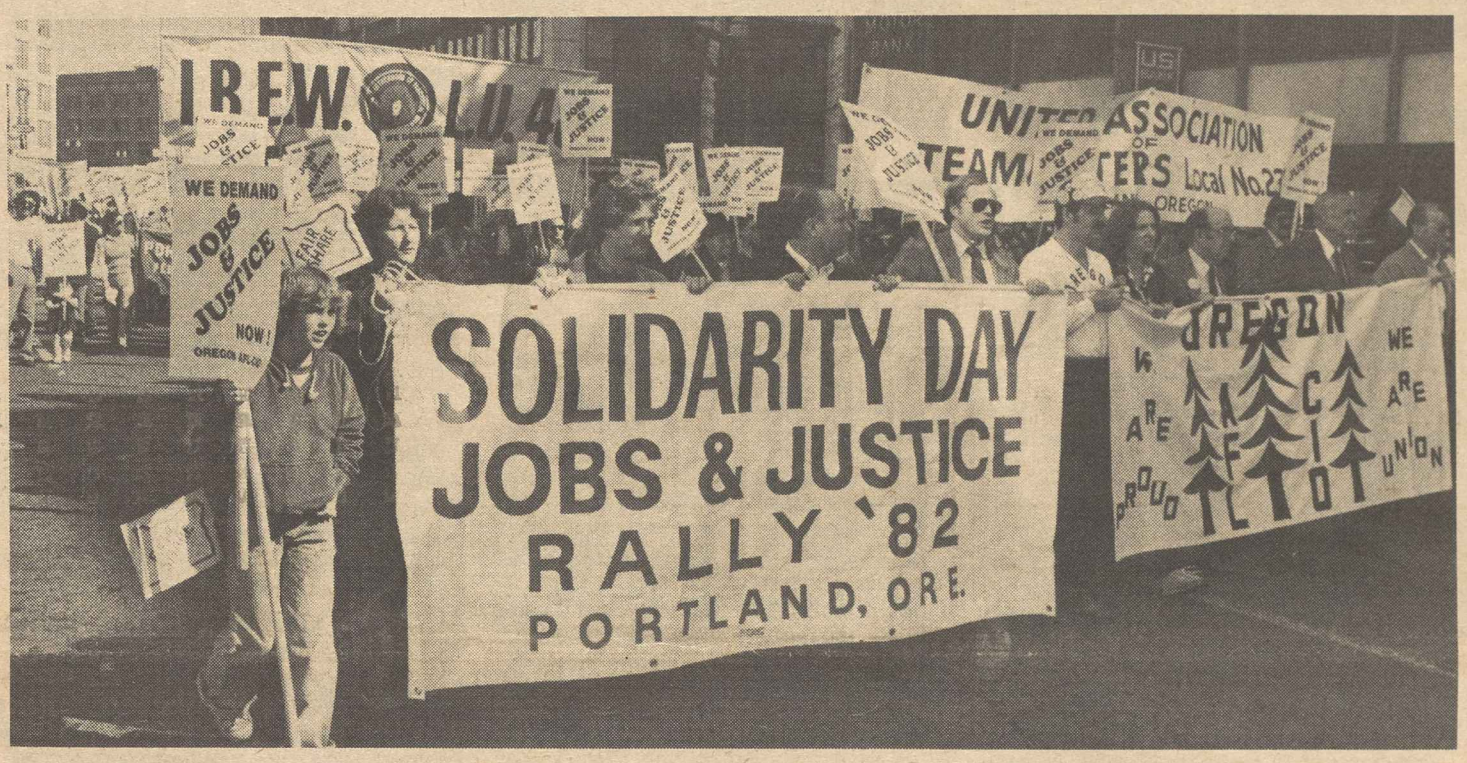
17 Million Suffer Job Cutbacks



OREGON SOLIDARITY for jobs, justice and an end to the Reagan Administration's damaging social and economic policies drew 5,000 marchers to Portland in a demonstration organized by the State AFL-CIO and some 80 labor, civic, church, minority, women's and social action groups. Participants from throughout the state and southwest Washington jammed a downtown plaza for a three-hour rally after a march through the city.

Official Rate At Post-War Peak of 9%

By James M. Shevis

The Reagan Recession pushed the nation's jobless rate to 9 percent last month, up from 8.8 percent in February, matching the post-World War II peak and demonstrating that the downturn in the economy is deepening.

"These new figures are a signal to the Reagan Administration that it is time to reverse its course," AFL-CIO President Lane Kirkland warned. "The White House must open its eyes to the grim consequences of its misguided economic adventures.

"AMERICANS WANT jobs, not empty promises and prophecies. Workers want a chance to build a better America, with justice for all."

Some 17 million Americans are suffering from the recession's impact on jobs, Kirkland pointed out. Nearly 10 million are officially unemployed, another 1.3 million are too discouraged to look for work, and nearly 6 million have been forced to take part-time work because they cannot find full-time jobs, he observed.

Most economists expect the jobless rate to continue to rise over the next several months, even if an economic recovery were to begin soon. Employers who have let people go generally do not hire them back until they are certain the economy is turning around. This means that any pick-up in employment will tend to lag behind recovery.

"ONE CAN expect the unemployment rate, if it behaves as it has in the past, to continue upward," Commissioner Janet L. Norwood of the Bureau of Labor Statistics

(Continued on Page 3)

Labor Scores Move to Scuttle Railroad Panels

Railroad union leaders appearing before a House Appropriations panel accused the Reagan Administration of using the budgetary process to circumvent federal laws governing labor-management relations in the industry.

Ole M. Berge, president of the Maintenance of Way Employees, and Andrew M. Ripp, vice president of the International Brotherhood of Electrical Workers, questioned the authority of the Office of Management & Budget to attempt to dismantle the Railroad Retirement System and rail adjustment boards as part of its budget-cutting efforts.

IN ITS fiscal 1983 budget proposals, the Administration seeks to farm out current functions of the Railroad Retirement Board and abolish the board. Under this plan, the so-called Tier I portions of rail retirees' pensions and sickness benefits would be put under the Social Security Administration. Tier I benefits are similar to social security benefits in all respects except that they are administered by the Railroad Retirement Board.

Other pension benefits would be administered by a private corporation and unemployment benefits by state unemployment compensation systems.

Berge, who chairs the Railway Labor Executives' Association's retirement committee, criticized the OMB rationale that the rail retirement system should be

(Continued on Page 7)

Union-Busting Subsidy For Hospitals Assailed

The Reagan Administration's decision to let hospitals bill the Medicare program for fees paid to union-busting consultants was assailed at House hearings as a flagrant misuse of public funds.

Members of Congress joined union and public witnesses in demanding that the Dept. of Health & Human Services restore its previous ban on inclusion of management consultant fees as patient-related expenses to be paid by Medicare.

THE HEARINGS were held by a Subcommittee on Labor-Management Relations headed by Rep. Phillip Burton (D-Calif.), and the opening witness was the chairman of another subcommittee with jurisdiction over health care issues.

Rep. Henry A. Waxman (D-Calif.), who heads a House Commerce subcommittee, charged that federal payment of fees charged for anti-union consultants means the federal government "is no longer neutral" on the issue of whether hospital workers should organize.

REIMBURSEMENT for the management side is as unreasonable as would be government payment of the salaries of union organizers, he said.

In other testimony:

- Service Employees President John J. Sweeney scoffed at the Administration's claim that it would be too difficult to sort out money spent in anti-union campaigns from other consultant activities. The state of Massachusetts has such a prohibition in its Medicaid program, Sweeney noted, and has had no problem with enforcing it.

The fees the Medicare program pays to anti-union consultants, he estimated, would pay for the disease immunization program the Administration has proposed to cut back.

- State, County & Municipal Employees Sec.-Treas. William Lucy said the re-

(Continued on Page 8)

Andy Biemiller Dies at 75, Labor's Voice on Capitol Hill

Andrew J. Biemiller, who melded an abiding commitment to labor's cause with a legendary knowledge of how Congress functions, died Apr. 3 at 75.

He had retired as the AFL-CIO's legislative director after the 1978 session of Congress, his quarter-century as a labor lobbyist capping a remarkable career.

ANDY BIEMILLER was an educator and a union organizer, a champion of workers in the Wisconsin legislature and as a congressman. And he was an inner-circle strategist in historic breakthroughs for civil rights and social justice.

AFL-CIO President Lane Kirkland and Sec.-Treas. Thomas R. Donahue cited Biemiller's role as "the voice of American labor on Capitol Hill for a generation" and said union members "today and tomorrow" will benefit from his achievements "on behalf of all Americans."

THEIR JOINT tribute noted the esteem in which Biemiller was held by leading members of both parties, "ample testimony to the integrity he maintained in his work. He brought honor to the term 'lobbying' and left labor's legislative representatives the legacy of his credo of effective, factual presentation of labor's case."

Biemiller was a cherished friend, with "unswerving devotion to trade union ideals," they said.

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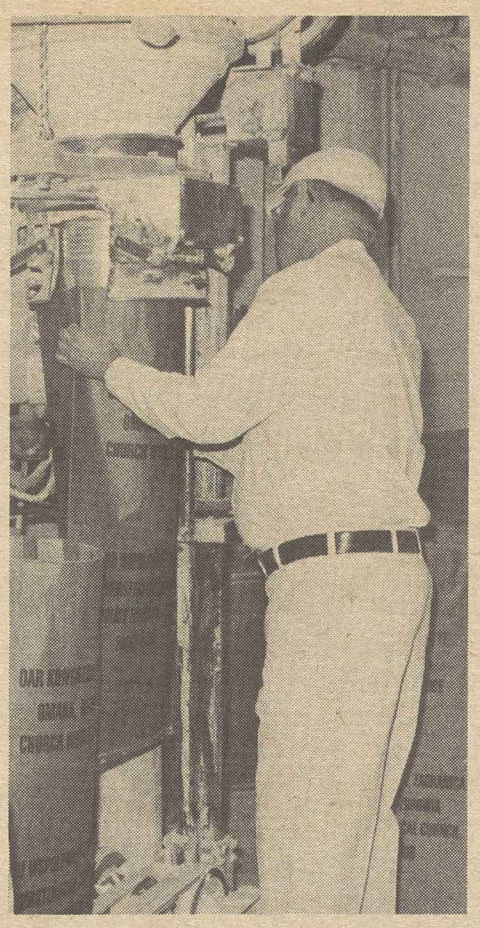

FLOUR FOR POLAND fills a 100-pound sack at ConAgra's food-processing facility in Omaha, where members of Local 50 of the American Federation of Grain Millers did the milling free. Some 700,000 pounds of flour milled from over 16,000 bushels of Nebraska wheat will be shipped to Gdansk where it will be distributed through Polish churches. In photo above, Grain Millers Vice President Larry R. Jackson discusses the relief project with Polish refugee Stanislaw Janicki, second from left, and members of Local 50, Business Agent Michael B. Taylor and Stewards Steve Marek and Jim Bolen.

Grain Millers Donate Labor To Aid Poles

Omaha, Neb.—More than 700,000 pounds of flour milled by union workers at ConAgra here are destined for needy people in Poland, where martial law under communist rule has been in effect for the past four months.

Forty members of Local 50 of the American Federation of Grain Millers donated their labor for the day it took to mill the flour, while ConAgra—the Omaha food processor—provided its milling facilities and equipment free.

THE FLOUR, packed in 100-pound sacks with appropriate labeling in Polish, was loaded on rail cars for shipment to Baltimore where a Polish ship will take it to Gdansk.

Church World Service, the sponsoring relief agency, has arranged for the flour shipment to be met by representatives of Poland's church relief distribution system in Gdansk. The agency is a division of the National Council of Churches, operating in the area of overseas aid.

Grain Millers Vice President Larry R. Jackson, who worked with the ConAgra employee group involved in the milling, said Polish bakers will be able to make one million one-pound loaves of bread from the flour shipment. The bread will be distributed through Polish churches.

THE PROJECT is the culmination of a statewide campaign begun last January when Nebraska Gov. Charles Thone declared the month "Wheat for Poland" month.

With contributions from more than 6,000 Nebraskans, the Polish-American Congress and the state chapter of Church World Service raised over $80,000 to be used in purchasing some 16,000 bushels of Nebraskan wheat.

Aid came from many sources. One of the largest contributions was from a church group at Offutt Air Force Base. The Union Pacific Railroad donated time and equipment for public relations. And Johnny's Cafe gave free lunches to the union volunteers who worked all three shifts Mar. 26 to mill the flour.

Nebraska's Polish relief campaign is continuing, Jackson said.

Andy Biemiller Dies at 75, Labor's Voice on Capitol Hill

(Continued from Page 1)

Biemiller was born in Sandusky, Ohio, on July 23, 1906. After his graduation from Cornell University, he taught at both Syracuse University and the University of Pennsylvania—and at a summer school for workers.

But it was in Milwaukee, during the Depression and New Deal years, that Biemiller cut his political teeth.

There, he edited a union newspaper, served on the executive board of the Milwaukee central labor body and became a general organizer for the Wisconsin State Federation of Labor. He was an early member of the Newspaper Guild as well as a longtime member of the American Federation of Teachers.

IN POLITICS, Biemiller started out in the democratic Socialist movement and was elected to the Wisconsin legislature as a member of the state's strong Progressive Party in 1936. He became his party's floor leader in the state assembly, serving until 1942.

After a stint with the War Production Board, Biemiller won election to Congress as a Democrat in 1944—from a House district that for many years alternated between Democratic and Republican representatives. He lost his bid for re-election in the 1946 Republican sweep, but regained the seat in the 1948 Democratic resurgence.

In Congress, Biemiller championed liberal legislation, but at the same time became an apt pupil of House Speaker Sam Rayburn in the parliamentary skills that enhanced his value to the labor-liberal coalition. One of Biemiller's laments as a lobbyist was that so few of labor's allies in Congress took the trouble to understand the rules and learn "how to use them to get things done, or to keep things from being done." Biemiller's expertise helped fill the gap.

IT WAS at the 1948 Democratic convention that he forged a political and personal friendship with Hubert H. Humphrey, then running for his first term as senator from Minnesota. Both were members of the convention Resolutions Committee, and they worked together to shape a strong minority report supporting civil rights. It was adopted by the convention as a substitute for the toothless majority report. The Dixiecrats walked out—and Harry Truman was elected President, Biemiller to the House and Humphrey to the Senate.

It was the Republican turn in Biemiller's congressional district the following election, and after a stint in government, he joined the legislative staff of the AFL in 1953. In 1956, after the AFL-CIO merger, Biemiller was appointed legislative director. His directive from George Meany, he would recall, was: "Don't beg, don't threaten, and don't ever assume you are 100 percent right."

HE HELPED shape a staff of AFL-CIO lobbyists to standards that he spelled out in a retirement interview:

"A lobbyist who misleads a member of Congress is through. Because they really do rely on us for information. In fact, make sure that the person you're talking to knows both sides of the argument. You can't ask someone to go out on the floor of the House or Senate with material you've given him unless he also knows the arguments he's going to run into."

At the weekly meetings of labor lobbyists, Biemiller would be a sometimes gruff chairman. "I know people who think the way to lobby is to call a congressman's office and ask some staff person how the congressman is going to vote on a particular bill. But that's not lobbying," Biemiller said. He rejected complaints that labor's interests were too broad, that it should stick to direct labor issues.

"We are American citizens as well as members of trade unions" and labor must be "the people's lobby," he insisted. Besides, there is no single labor issue. Trade is related to jobs, labor law reform to the Senate's filibuster rule, occupational safety and health to budgets and appropriations.

But the man who had been an important part of every drive for progressive social legislation in the modern era never deceived himself into considering legislation the cure-all for social evils.

"Not by a long shot," he said. As he saw it, the basic impetus for progressive change, especially economic change, is "a strong labor movement and effective collective bargaining."

BIEMILLER retired in December of 1978, saying simply that he felt "the time has come" for others to take over the day-to-day responsibility, with "a feeling of satisfaction over what we've accomplished in the past and what we have been trying to do."

Andy Biemiller entered the hospital just a day before he succumbed to congestive heart failure.

He is survived by his wife of more than 50 years, Hannah; by a son, Dr. Andrew Biemiller, Jr., of Toronto; a daughter, Nancy Boerup of Wooster, Ohio, and four grandchildren.

Burial was private; a memorial service will be held on Monday, Apr. 12, at 5 p.m. in St. John's Episcopal Church at 6701 Wisconsin Ave., Chevy Chase, Md.

The family suggests that in lieu of flowers contributions be made to CARE or to a charity of the individual's choice.

Maritime Unions Shape Policy for Joint Contracts

Two AFL-CIO maritime unions have agreed on a joint policy to improve job prospects for their members on new vessels that are added to the nation's merchant marine fleet.

The policy provides for joint contracts covering the entire complement of seamen, both licensed and unlicensed. The agreement covers some 35,000 members of the Seafarers Atlantic, Gulf, Great Lakes & Inland Waterways District and 3,000 members of District II-Associated Maritime Officers, a division of the Marine Engineers' Beneficial Association.

THE AGREEMENT, signed by SIU President Frank Drozak and MEBA District II President Raymond McKay, anticipates that uniformity in collective bargaining contracts will improve labor relations administration, cost efficiency, and halt jurisdictional disputes and rivalries between the two unions.

Much of the impetus for the joint policy declaration stems from the drastic decline in the American merchant marine. At the end of World War II, the U.S. merchant fleet comprised some 3,000 vessels. The number has declined to 749 today, and most of these vessels are over 20 years old and need to be replaced.

A main thrust of the new pact is to reduce labor costs and make the American merchant marine more competitive with foreign fleets. Training and upgrading programs will be interrelated to obtain cost efficiency.

The agreement also calls for coordinated legislative and political efforts by the two unions to foster the welfare of the U.S. merchant marine while gaining the support of elected officials and others who "recognize the critical importance of our industry as an economic and national defense resource."

ANDREW J. BIEMILLER

DPE Establishes Policy Panel on Health Services

The AFL-CIO Dept. for Professional Employees has formed a Health Services Committee to help guide the department and the federation in the development of policy in the health care field.

DPE President Albert Shanker said the committee, which will report to the department's executive board, will be involved in a broad range of activities, including the monitoring of the impact of technology on the health delivery system.

Of immedate concern, Shanker said, "are new guidelines promulgated by the Reagan Administration which permit use of public Medicare and Medicaid funds to pay the fees of anti-union consultants engaged by hospitals for the purpose of defeating employees' efforts to organize."

DPE DIRECTOR Jack Golodner charged that under the Reagan policy, the Administration is sharply cutting essential social services in the name of fiscal prudence, "while giving those desperately needed public funds to outside consultants whose efforts are aimed at destroying unions, collective bargaining" and constructive labor-management relations in the health care industry.

Unions represented at the committee's inaugural meeting were the Government Employees, the State, County & Municipal Employees, Teachers, Professional Athletes, Machinists, Operating Engineers, International Brotherhood of Electrical Workers, Office & Professional Employees, Service Employees and the Auto Workers.

REGIONAL CONFERENCES bring AFL-CIO President Lane Kirkland to a picket line in Phoenix (left) and to the political stump on behalf of labor's candidates in the closing rally in Seattle (right). In Phoenix, Kirkland walked with striking Laborers at the Carter-Glogau laboratories, a drug manufacturing firm. At the Seattle rally, he is backed up by representatives of the AFL-CIO support groups and other community allies in the women's, minority, consumer and seniors organizations. At Kirkland's left are Washington AFL-CIO President Marv Williams and Sen. Spark Matsunaga (D-Hawaii), who addressed the rally along with Sen. Henry M. Jackson (D-Wash.). Additional regional conferences are scheduled for other sections of the country in coming months.

Teach-Ins Slated On Alternatives to Reagan Policies

The Reagan Administration's disastrous economic policies are the curriculum for a national public education program being launched by the labor-supported Full Employment Action Council.

The series of "teach-ins" will give union members, students, senior citizens and others "hard information about the fallacies behind the Administration's economic policies" and will suggest "positive alternatives" to major economic problems, FEAC Co-Chairs Coretta Scott King and Murray Finley said in a statement announcing the program.

KING IS president of the Martin Luther King, Jr., Center for Social Change and Finley, an AFL-CIO vice president, is president of the Clothing & Textile Workers.

Fifteen teach-ins are scheduled in April and May on college and university campuses in New York, Pennsylvania, New Jersey, Maryland, North Carolina, Georgia, Illinois, Ohio, Washington and Hawaii. About 150 more communities have asked for presentations, the FEAC said.

Each teach-in will include talks by economists, political and civil rights leaders and trade unionists. They will dissect the Administration's "supply-side" theories and point out why they are failing to solve the nation's economic ills.

ALTERNATIVE policies keyed to immediately reducing unemployment, stimulating the economy and creating jobs will be discussed.

Janice Fine, student coordinator of the program and president of the U.S. Student Association, said the flood of requests for the programs is a sign "that despite the talk of a conservative tide sweeping American campuses, there is a growing disenchantment with Reagan's economic policies on campuses around the country."

NFL Players Line Up With Central Bodies

The National Football League Players Association has chalked up a 100-percent affiliation rate with AFL-CIO state and local central bodies.

A division of the Professional Athletes, the 1,500-member NFLPA reported that its bargaining units in all 28 NFL cities have joined local labor organizations as well as state federations in the 18 states where the teams are situated.

The NFLPA said the affiliation move is in line with the players union's policy of encouraging its members to get more deeply involved in trade union activities at the state and local level.

Auto Workers Get Training for Aerospace Jobs

Detroit—The Auto Workers and Rockwell International Corp. announced plans for a pilot program to retrain and relocate 400 laid-off auto workers in the company's aerospace division.

Workers who meet the basic skill qualifications will be recruited for the program, which will be funded by a $300,000 Labor Dept. grant.

The method of selecting qualified applicants will be worked out by the union and the Labor Dept.

UAW President Douglas Fraser and Sec.-Treas. Raymond Majerus said that after successful completion of the program, the 400 auto workers—200 from southeast Michigan and 200 from Ohio—will be eligible for jobs on Rockwell's new long-range combat aircraft project.

Rockwell is expected to hire up to 25,000 workers for the project at its various locations around the nation.

Jobless Rate of 9 Percent At Post-Depression Peak

(Continued from Page 1)

told a hearing of the congressional Joint Economic Committee.

AFL-CIO Research Director Rudy Oswald charged that the Administration's budget, tax, and monetary policies are making a bad situation even worse, and called on Congress to move ahead with the jobs program the federation has offered as a practical alternative to Reaganomics. He also urged continued protection of the long-term jobless through extension of unemployment insurance programs.

"Jobs and unemployment insurance benefits for those who can't find work are the only way to put bread on the table, to pay the rent and the mortgage, and to maintain dignity," he declared.

THE 9-PERCENT jobless rate for March equaled the figure for May 1975, in the wake of the 1973-75 recession. The nation's unemployment rate has not been higher since 1941, when joblessness averaged 9.9 percent for the year.

The number of unemployed workers last month rose by 279,000 to 9,854,000 on a seasonally adjusted basis. The number of employed persons declined by 98,000 to 99,492,000. The civilian labor force went up 181,000 to 109.3 million.

All of the increase in unemployment over the month was among job losers, most of whom were permanently let go, said BLS in its report on the jobs situation. The number of persons on layoff—job losers expecting recall—rose slightly following two months of decline.

"JOB LOSERS have accounted for nearly all of the increase in unemployment since the recession began and in March comprised over 57 percent of the unemployed," BLS said. The number of persons out of work for 15 weeks or more rose by 230,000 to 2,954,000 last month.

Among the signs that employment is likely to continue to deteriorate was a further drop in the length of the average workweek for nonfarm employees, to 34.8 hours from 35 hours the month before. Factory overtime declined to 2.3 hours from 2.4 hours in February. Economists point out that the average workweek generally turns up before overall employment strengthens.

Other indicators of the breadth and depth of the jobs problem included these record-matching or setting figures in March:

- The 7.9-percent jobless rate for adult men, up from 7.6 percent in February, equaled the postwar high for this worker category set last December. The rate for women, also 7.9 percent, was still somewhat below 1975 levels.
- The number of workers holding part-time jobs because they say they cannot find full-time employment rose to 5.7 million, another new record. The previous high of 5,560,000 was set in February.
- The number of "discouraged" workers, those who are not looking for jobs because they think none is available, reached 1,340,000 in the January-March quarter, surpassing the previous high of 1.2 million in the fourth quarter of 1981.

THE BLS'S Norwood told the Joint Economic Committee that if the number of discouraged workers had been factored into the jobless rate, it would have averaged 12.5 percent in the first quarter of 1982, up from 11.8 percent in the final quarter of 1981.

Norwood stressed the plight of black Americans in her testimony before the JEC, noting that their overall jobless rate rose from 17.3 to 18 percent last month, another record.

"The seriousness of the employment situation for black workers is demonstrated by the fact that blacks comprise 10 percent of the population, but they constitute 20 percent of the unemployed and nearly 40 percent of the discouraged," she said.

TEENAGERS were the only major worker category that showed a drop in joblessness during March, decreasing four-tenths of 1 percent to 21.9 percent. The rate for black teenagers, however, rose from 42.3 percent to 46 percent.

The largest over-the-month employment decline occurred in manufacturing, where some 130,000 jobs were lost. Almost 50,000 of these were among non-production workers, BLS said.

The hardest-hit industries were primary and fabricated metals, machinery, and electrical equipment, textiles and apparel, and food processing. Construction employment in March was down 45,000, and jobs in the industry have declined a total of 300,000 since last April.

Employment in the service-producing sector was little changed over the month.

Scranton Unions Rally to Aid 11-Year-Old Palsy Victim

Scranton, Pa.—Thanks to organized labor, an 11-year-old cerebral palsy victim here can look forward to a better education and a more normal life.

Members of the Scranton Building & Construction Trades Council volunteered the labor to build a specially equipped bathroom in the home of Mr. and Mrs. Joseph Walsh to meet the needs of their adopted son, Bobby.

John J. McNulty, president of the council, said the unions were inspired to help by a fund-raising drive for Bobby started by the Scranton Kiwanis Club and endorsed by the Scranton AFL-CIO. The drive raised more than $13,600 to buy a special electronic communications machine for Bobby's education.

Over a third of the contributions came from members of the Machinists and the Auto Workers at McKinney Mfg. Co. where Walsh works, from a $700 contribution by county workers who belong to the Service Employees, and from a $1,000 donation from the Steamfitters local, Scranton AFL-CIO President William Cockerell said.

Since the teaching machine will cost about $5,000, the remaining money is to be put in a trust fund for Bobby's future needs. The building trades stepped in when it was learned that the special bathroom social workers said Bobby needs would cost at least another $5,000, depleting the fund. The volunteer labor will help keep the fund intact.

Bobby, who was born in an institution, cannot walk, speak or use his hands. The Walshes, both 51, became his foster parents after their daughter, a volunteer worker at the foundling home, began to bring the boy home for weekend visits. Bobby became the Walshes' legally adopted child on Mar. 30.

Time for Trickle-Up

IF TRICKLE-DOWN economics hasn't worked, as it obviously hasn't, how about trying a bit of trickle-up economics?

Instead of waiting for tax giveaways to wealthy individuals and prosperous corporations to be invested in job-creating enterprises, let's start with jobs.

We have seen these past months that excess money in the coffers of conglomerates is more likely to be used to finance further corporate takeovers than for expanding production in a consumer market shrunken by unemployment and declining purchasing power.

In the midst of a cruel recession, huge corporations invest billions in an effort to capture control of other huge corporations by taking advantage of depressed stock prices. Sometimes the prize is no more than a potential tax writeoff that will further reduce the corporate contribution to America's national defense and the general welfare.

A jobless worker could die of thirst before any nourishment trickles down from such manipulations.

SO LET'S REVERSE the flow. Put unemployed workers back on payrolls and the nation's cash registers can start ringing again. Small businesses that have been going bankrupt at an alarming rate are able to make a go of it. Automobiles are sold, and steel, glass and tire production revives accordingly.

And prosperity does, indeed, trickle up to the corporations and their stockholders.

But you can't create jobs by echoing the Reagan Administration slogan of getting the government "off our backs."

The government has an indispensable role to play in helping the economy out of recession.

Government can and must act to bring down the high interest rates that have stifled the vital construction industry and priced 80 percent of Americans out of the housing market.

Only the most unsophisticated take at face value the Administration's profession of inability to tamper with the tight-money policies of the Federal Reserve Board—policies which it has advocated and still defends.

BUT IT ALSO has available a tested credit allocation power that makes it possible to channel funds into housing and other productive uses, and cut off credit for speculative ventures that produce nothing for the economy but push up interest costs by draining away funds.

More directly, the federal government can put people to work almost immediately by funding needed public works and public service jobs.

These are the counter-cyclical actions that have helped the nation out of all previous recessions, and they are the measures intended by the Humphrey-Hawkins Full Employment & Balanced Growth Act that Congress passed with fanfare—and then ignored.

Unemployed workers need an array of public assistance and services, but contribute nothing in taxes. The nation is made poorer still because goods are not manufactured, homes are not built, ports are not expanded.

How high does the unemployment rate have to soar before this Administration and this Congress perceive the obvious?

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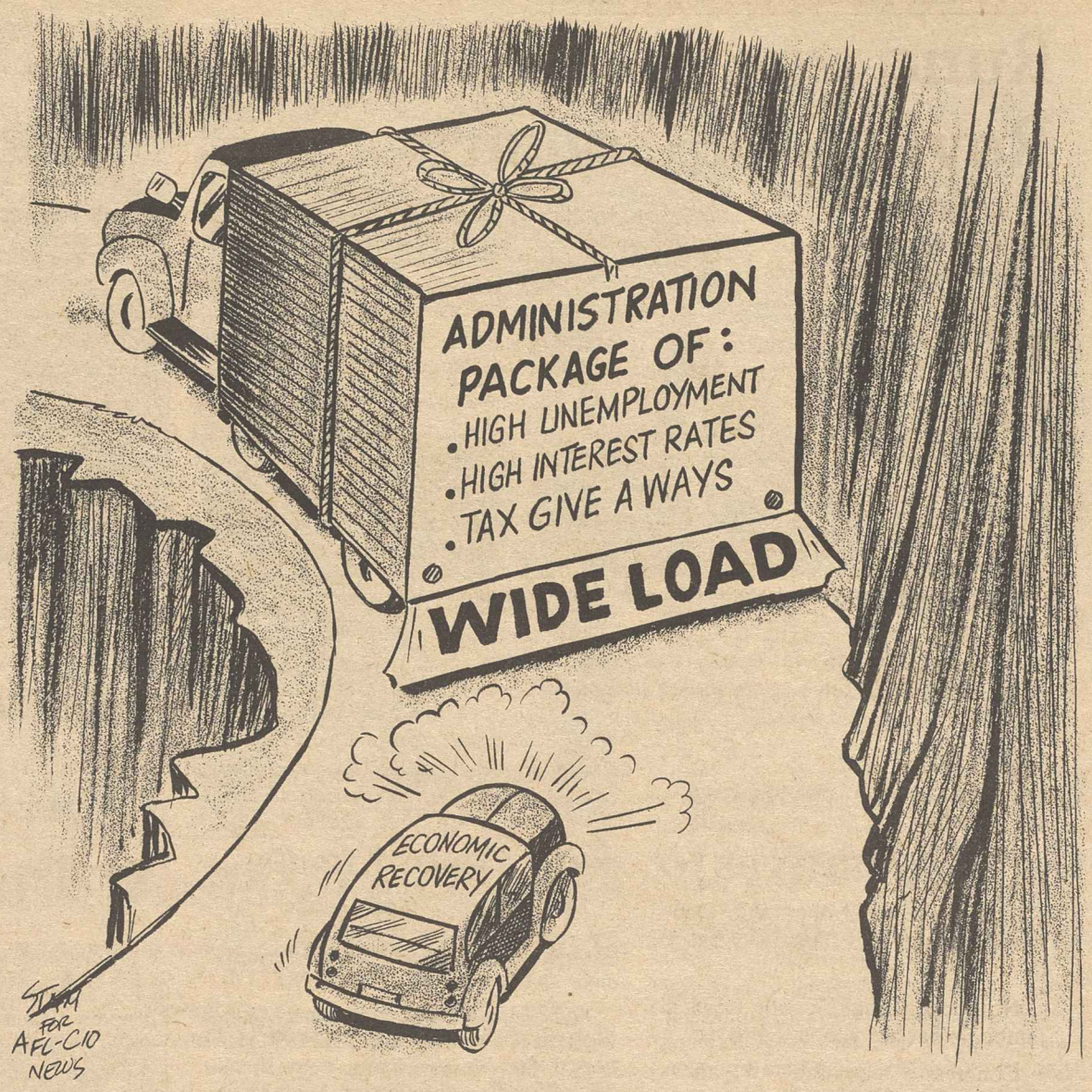

U.S. Producers Threatened

Dumping Laws Short-Circuited As Japan's Micro Chips Pour In

By Gus Tyler

WHAT TO DO ABOUT those chips from Japan is an almost perfect example of a simple problem made complex because we have no constant policy on imports.

The "chip" is the popular name for an artificial brain, about the size of a fingernail, that can receive information, remember, and reason. It is the soul and cranium of those wizard computers that play games, process data, and solve problems.

THE "CHIP" was born in America, as our very own idea. A huge industry sprung into being to manufacture the midget marvel, much of it located in "silicon valley," that complex of new facilities south of San Francisco. We produced for ourselves and the world; the chip was to be our salvation, making up in exports what we lost in steel and autos. In the "information society" of the future, we would dominate the world markets.

But now, just a few years later, we find ourselves pushed by Japan—not only out of foreign, but also out of our very own domestic, markets. Japan is underselling us on our own turf. How can they do it?

The answer, in a word, is "dumping," according to charges made by Motorola, an American maker of chips. "Dumping" means that Japan is selling chips in the United States below the selling price in Japan or even below production costs.

Now, why would anybody engage in the apparently unprofitable business of selling anything below cost? Because, done skillfully, it can be profitable.

BY PLACING an artifically high price on "chips" sold in Japan, the producer can cover all costs by selling only a percentage—let's say 75 percent—of its output in the home market. The extra 25 percent can be sold for pure profit at any price in the world market, even below cost.

That's the short run strategy. The long range plan is to drive the American competitor out of the field in the same way that Japan has wiped out our radio and TV manufacture. Then Japan has the market all to itself and can raise its prices here.

The solution is simple: enforce present laws that prohibit dumping. That is simple and straightforward national policy.

What complexifies the simple is the clash of interests among different sectors in our own economy. Motorola wants the dumping provisions applied, because it manufactures chips.

But other companies do not want the law applied because they use the chips to make computers and, since they can get the chips for less from Japan, they do not want to halt the present practice. They also can argue that by getting a cheaper chip, they can sell American computers for less.

THE ARGUMENT of those who reason this way is sound—but only for the moment. In the long run, it is unsound. Once Japan monopolizes our market, they can raise the price—without fear of competition. What is more, after they knock out American chip makers, they can proceed to knock out American computer manufacturers by dumping computers as well as chips.

What is in the national interest is clear: stop dumping. But so long as there are special interests who can get the ear of the Administration, there is always the danger that the law will not be enforced.

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Aristocratic Contempt In Medicare Rules

In all my years as a union officer and representative, I never met nor even imagined the degree of arrogance implicit in these latest Dept. of Health & Human Services rules for Medicare.

These regulations not only legitimatize union-busting but reward it out of taxes collected from those being busted.

In an interpretation that verges on satire, these regulations define union-busting as "a service related to patient care." For sheer, callous, aristocratic contempt, that ranks right up there with "Let them eat cake."

—Machinists Vice President George J. Poulin, in testimony before the House Labor-Management Subcommittee, Apr. 1, 1982.

Reversal Needed to Spur Jobs

Runaway Interest Rates Stifle Revival of Construction Sector

The following is from an address by President Robert A. Georgine of the AFL-CIO Building & Construction Trades Dept. to the BCTD legislative conference, Apr. 5, 1982.

THE SINGLE most effective way to get unemployed construction workers back to work is to reduce interest rates.

If that means regulating credit and allocating it to high-priority areas, then the Congress and the President must regulate credit. In 1980, when President Carter invoked the Credit Control Act, interest rates dropped dramatically and the housing industry revived—only to be snuffed out by a renewal of tight money.

If it means taxing banks for excessive interest rates, then tax the banks. If it means postponing a few corporate mergers by channelling credit to housing, then do it.

AMERICA CAN live without a few more conglomerates. But this country cannot live without a healthy construction industry.

That is our concern. That is our responsibility to our members. And that is the message we are going to take to Capitol Hill. Don't tell us what the President did. Tell us what you are going to do.

No buckpassing. No sidestepping. No mumbo-jumbo. What are you going to do?

Congress is supposed to be the representatives of the people. Well, we have 4,000 of the people here. And we have a thousand times that number who live and vote in every state and congressional district in this country.

WE ARE NOT economists. We don't know a thing about theories. But we do know what works.

We know that:

- When mortgage rates were 9 percent, houses were being built.
- When sewer and water facilities were being built, the rivers and lakes were getting cleaner.
- When the federal government took charge, the interstate highway system was built.
- When the federal government kept an enforcement club in the closet, our employers became more interested in safety on the job.
- Affirmative action worked when there were plenty of jobs.
- When the private economy was slack, public works programs provided jobs and necessary public facilities.

WE ALSO KNOW that when construction workers are working, the cash registers in the stores are ringing and the merchants are smiling.

But we aren't smiling. On the contrary, our members are in an angry mood. They are angry about the lack of work.

They are angry about being denied unemployment insurance. During the 1973-75 recession, 75 percent of the workers who lost their jobs drew unemployment benefits. Today, only about one-third of the unemployed are receiving benefits.

Don't tell us the eligibility rules were tightened to catch the cheaters and loafers, because our members aren't cheaters or loafers.

OUR MEMBERS are angry about being denied food stamps when they need them, because when they were working, they paid the taxes that funded that program.

They are angry about attacks on their wages and their unions. They are angry about being taken for granted by the Democrats and shunned by the Republicans.

They are tired of being wooed by the politicians and then getting left at the altar after the election.

There is a new militancy and a new spirit among our membership. Construction workers are simply not getting to be anyone's patsy. We aren't going to listen to the congressional run-around. And if the Congress doesn't listen to us now, we'll make certain they hear us in November.

MEMBERS OF Congress who want labor's support in November will have to support labor in April.

If they want to be our friends, they should not confirm the present nominee for chairman of the National Labor Relations Board.

If they want us to walk our precincts for them in November, then they can't jail us for exercising our rights to picket unfair employers.

If the government wants the highest quality work on its construction, it is going to have to support apprenticeship programs that produce highly trained journeymen.

If they want American workers to support the economic and political system, then that system has to work as well for workers as it does for businessmen.

Policies Hurt Workers

Reagan-Provoked Recession 'Devastates' Railroad Industry

THE ADMINISTRATION'S economic program has hit the railroad industry and its workers with "a devastating thunderbolt" of high interest rates and reductions in vital programs, President Richard I. Kilroy of the Railway & Airline Clerks said.

Kilroy pointed out that the near-record interest rates are hurting the entire economy, including the steel, auto, lumber and construction industries. When these industries decline, he said, the railroads, which haul the raw materials for production, suffer severely.

The Office of Management & Budget is interested only in budget cuts, Kilroy observed, "and they have absolutely no concern, in our opinion, for the results of those cuts on the industry or on the workers." Kilroy appeared on the network radio interview Labor News Conference.

KILROY ALSO condemned Administration budget proposals to "eliminate or completely dismantle the Railroad Retirement System which has been in effect since 1936."

There is also a proposal to virtually eliminate the National Railway Adjustment Board set up under the Railway Labor Act of 1926, he said. The board provides a tribunal for final decisions on labor disputes in the railroad industry, and its elimination could mean "chaos," Kilroy asserted.

The Railroad Retirement System, he pointed out, is paid for by taxes on the industry and employees, and these funds cover the system's operations as well as pensions due to retirees.

Both railroad management and the unions agree they want to keep the system and continue to pay for it, Kilroy said. He pointed out that the Administration's proposal to gut the system could deprive some workers of benefits, such as those who also paid into the social security system under other employment.

Kilroy charged that the Reagan recession is also hampering the efforts of Conrail and other carriers to achieve profitability. He pointed out that attempts by railway workers to "help these railroads over the hurdle" through wage deferrals have been undermined by the depressed state of the economy.

KILROY SAID the entire transportation system is essential to the nation's economic health and its national defense, and the railroads are "primary" in that system because they haul commodities, raw materials, grain and foodstuffs and other goods to market. "This nation could not exist economically without a rail system," he said.

Reporters questioning Kilroy on the AFL-CIO public service program were Alan Adams of Employment Relations Report and Lee Coney of the Bureau of National Affairs.

Washington Window

By Press Associates, Inc.

THERE IS NO MORE shameful contrast in President Reagan's priorities than in the decisions affecting the rich and the poor.

For the rich, Reagan is standing firm behind the scandalous $750 billion in tax cuts over the next several years for big business and high-income groups.

For the poor and needy, he is standing firm behind further cutbacks which will bring back widespread hunger and malnutrition in America.

Last year, the Administration pushed food stamp cuts through Congress, knocking one million people off the rolls and reducing benefits for 20 million others. In child nutrition, school lunches were eliminated for 1.4 million low-income kids and school breakfasts disappeared for 400,000 poor children.

This year, the Administration wants to cut another $2.3 billion from food stamps and $600 million from child nutrition.

LIKE THE NEWSPAPER publishers who usually manage to find the "woman in the fur coat" on welfare, the President trots out ancedotes about "fraud and abuse" to justify these cuts. But, aside from the President often misstating the facts, Congress already has installed anti-fraud rules to reduce cheating to a minimum.

The non-partisan Congressional Budget Office analyzed the Reagan Administration's proposed cuts in food stamps and reported serious consequences. About 92 percent of nearly 2 million elderly and disabled households now getting food stamps would have them ended or greatly reduced. Cuts for a working poor family would average $684 a year. About 85 percent of the 20 million people receiving food stamps would have the benefits abolished or reduced, CBO found.

Stanley J. Matek, president of the American Public Health Association, recently told Congress that the Administration plan to cut the supplemental food program for pregnant women, infants and children (WIC) by 27 percent and fold it into a block grant to the states would result in hundreds of thousands of recipients being dropped.

Matek called WIC "one of the most successful federal programs ever devised" even though two to three times as many persons are eligible for WIC as actually receive benefits.

The Administration has targeted other programs which prevent malnutrition in needy children for substantial cuts or total elimination—school lunches and breakfasts, child care meals, the special milk program and summer food service.

Further evidence of the effect of Reagan cuts in these nutrition programs and food stamps was presented to Congress recently by the Food Research & Action Center, a public interest group.

FRAC cited recent case histories from pediatricians where children suffered weight loss and disease after their parents were dropped from WIC or food stamps.

PEDIATRICIAN Deborah Frank, who works with undernourished needy infants and children as a staff physician at Boston City Hospital and the Children's Hospital, cited the probable effect of food cuts.

"We have an extremely fragile system of food assistance in place now," Dr. Frank warned. "The problems of malnutrition and 'failure to thrive' that we are seeing today will only be made worse by budget cuts in these programs. Undernutrition during the early periods of brain growth have a long-term effect on children's ability to learn. The proposed budget cuts seem so wasteful when I think about the future educability and productivity of these children."

What Reagan's policies really amount to are a fraud on the public and an abuse of the truth.

A DEVASTATING THUNDERBOLT of Reaganomics has rocked the nation's rail industry and its workers with high interest rates and program rollbacks, President Richard I. Kilroy of the Railway & Airline Clerks, center, said on Labor News Conference. The AFL-CIO vice president was questioned by Lee Coney, left, of the Bureau of National Affairs and Alan Adams of Employment Relations Report. The AFL-CIO produced public affairs interview is aired weekly on Mutual radio.

JOBS FOR THE UNEMPLOYED are the most important legislative issue, President Robert A. Georgine tells 4,000 delegates to the Building & Construction Trades Dept.'s national conference. One out of five construction workers is unemployed. Georgine called on the Administration and Congress to take immediate action to lower interest rates.

Building Trades Welcome Reagan, But Spurn His Economic Policies

If the 4,000 delegates to the building trades legislative conference constitute a political barometer, the climate for the Reagan Administration's economic program has turned stormy.

The delegates heard the Administration program defended by President Reagan himself and by Sec. of Labor Raymond J. Donovan.

THEY HEARD it savaged by two prominent Democrats—former Vice President Walter F. Mondale and Sen. Edward M. Kennedy (D-Mass.).

And they heard a maverick Republican senator, Lowell P. Weicker, Jr. of Connecticut, urge them to re-elect Republicans who oppose the Reagan program and defeat Democrats who vote with the President.

Reagan received a warm welcome when he was introduced, a personal ovation that drowned out scattered boos.

He was applauded when he praised the courage of the Polish workers and when he reiterated that he would not "seek" repeal of the Davis-Bacon Act.

AND THERE was prolonged applause when the President expressed his thanks to Alfred Antonucci, the president of a Cleveland local of the Carpenters who had helped tackle the assailant who shot the President a year ago. The assassination attempt came as President Reagan left the same hotel, after having addressed the 1981 building trades conference. There was emotion and thanksgiving in the President's return this year.

But as the President moved into the substance of his program, there were long stretches in which the silence of the delegates was broken only by the occasional cries of a baby in the audience.

His supply-side tax cut must not be tampered with, Reagan declared. Labor should join with management and tell government "to get off your backs so you can get on with the task of rebuilding our economy," the President urged.

"Our program has begun to work," he insisted. "We are on the verge of a major breakthrough."

The applause at the conclusion was polite, but muted. The news stories called it a "chilly" reception.

It was as warm as it could be for both Kennedy and Mondale. The two are widely viewed as potential rivals for the 1984 Democratic presidential nomination, but the competition that day was only in the most pungent way to categorize the Reagan Administration.

The President's tax and spending policies represent "a radical departure from the principle of fairness," Mondale charged.

But Americans "are not a selfish people," he said. "We're not a survival-of-the-fittest society." And in the real America, if not in Reagan's view of the world, "people get old, sick, need education, need job training."

THIS COUNTRY can and must concern itself with both defense and the general welfare, Mondale urged.

Kennedy told the delegates that the Reagan program has already taken effect—"it has brought our economy to a dead stop and run it in reverse, straight into a recession."

He challenged the President's attempt to reassure the building trades delegates about the Davis-Bacon prevailing wage law.

"If the President truly wants to be on your side," Kennedy suggested, "then the next time there is a vote on Davis-Bacon, let him say clearly he is against it and send the White House lobbyists up to Capitol Hill to prove he means it."

THE DEMOCRATIC Party may need new ideas, Kennedy said, but it must also have "the backbone to stand for enduring values of economic justice and human compassion."

Weicker, who is being challenged for renomination this year by the brother of Vice President Bush and is a target of a New Right campaign, termed the Reagan Administration a "tragedy" and exclaimed, "God help the United States if we have two more years like that."

He wants the GOP to be "the party of Lincoln and Eisenhower," Weicker said, not of Strom Thurmond and Jesse Helms. "And nobody is going to kick me out of the Republican Party."

LABOR SEC. Donovan came to the defense of the Administration, insisting that inflation must be curbed before the economy can regain its health.

If the Administration were "to give in now" and modify its economic policy, "we might reduce unemployment a little," Donovan said. But inflation would zoom out of control.

"If we continue in the direction the President has chosen," Donovan promised, "this country will once again be the land of promise and opportunity, where all things are possible."

DEMOCRATIC National Chairman Charles Manatt, a scheduled speaker, termed the Reagan Administration the most anti-union government of the past 50 years, which is "holding the American economy in hostage." It is "out of touch with the reality of unemployment," he said.

Republican Chairman Richard Richards, who asked to speak to the conference and was added to the program, promised that the GOP will set up a labor advisory council, give a union representative a place on the party's executive committee, and seek to close the "gap" between the trade union movement and the Republican Party.

RLEA Elects Kilroy Secretary-Treasurer

President Richard I. Kilroy of the Railway & Airline Clerks has been elected secretary-treasurer of the Railway Labor Executives' Association, succeeding James J. Kennedy, Jr., former BRAC legislative and political director.

Kennedy recently was named executive assistant to AFL-CIO Sec.-Treas. Thomas R. Donahue.

Construction Unions Focus On Job Needs

(Continued from Page 1)

the worst mistakes" of the "tax giveaways to the corporations and the rich" it enacted last year.

He spoke of the need to provide jobs, to restore decaying transportation, sewage and water systems, and of the need for the Administration and the Federal Reserve Board to end a "stubborn reliance on tight money and high interest rates."

While one out of five construction workers is unemployed, Kirkland said, American families are forced to double up because mortgage costs have made housing unaffordable. And "for every idle construction worker, at least one other person is thrown out of work in the lumber and steel industries, in plumbing or electrical manufacturing, and in other related fields."

Besides hearing from a spectrum of prominent speakers, delegates met with their home-state congressional delegations at breakfast meetings and Capitol Hill visits. In a series of workshops, they explored legislative issues in depth and questioned panelists on subjects ranging from campaign financing to legal developments affecting construction.

"The most important work of this conference will be done when you are back home," Georgine told the delegates, urging each of them "to begin a daily lobbying effort in your own local."

But if a member of the House or Senate tries to tell them that unemployment is the price that must be paid to fight inflation, "forget about lobbying," Georgine said. "Start organizing to defeat him."

This is no time for Congress to be diverted by "single issue groups" pushing matters ranging "from abortion to gun control, school prayer to busing."

The task for Congress and the Administration is "finding jobs for the unemployed." Jobless workers "can't afford to wait for the trickle to reach them," he said.

"We'll evaluate how well the members of Congress hear us by their voting records," Georgine stressed. "And we are planning to send those who are hard of hearing a louder message, one that will arrive in November."

Education Conference Spurs Expanded Political Action

Boston—The restoration of federal training and school funds—cut back sharply by the Reagan Administration—is highly dependent on expanding labor's grass-roots political leverage, the 100 participants in the AFL-CIO's annual education conference were told.

Federation Education Director Dorothy Shields said in opening the four-day conference that college and university labor education programs are at a critical juncture because of President Reagan's budget policies.

STRESSING THE importance of political action, Shields said a resurgence of labor solidarity must be manifested next Nov. 2 to elect candidates who are responsive to the education needs of workers and their families.

In the meantime, she urged, unions must use all available resources to make up for the lost federal participation in essential education services and worker training programs.

The conference, sponsored by the federation's Dept. of Education, was held jointly with the annual meeting of the University & College Educators Association.

Focusing on an increased emphasis on grass-roots lobbying and political action, Michael Gildea of the AFL-CIO Dept. of Legislation described the wider use of telephone communications banks for voter education, personal group contacts with legislators by union members, and stepped-up lobbying at the state and local level.

Participants were given the detailed workings of a Machinists' local canvassing program, a Government Employees' federal sector political action effort, and a Communications Workers' pilot legislative program being operated in Iowa.

Pointing up the effectiveness of personal contact lobbying, a video tape documentary disclosed how the voting records of certain legislators improved in labor's favor after they met in group sessions with union members.

A series of workshops explored the use of union outreach efforts to the public, school students, younger trade unionists and the unemployed.

WORKSHOPS were held on building and expanding coalitions with women's groups, safety and environmental organizations, and religious and civil rights groups.

A multi-media program on the Carpenters centennial celebration, including a slide show, exhibits, displays and films, was presented by the union's secretary, John S. Rogers.

The labor educators also were asked to reaffirm support of black trade unions in South Africa by Executive Director Pat O'Farrell of the African-American Labor Center and Nana Mahoma, AALC director for South Africa.

Protests Swell in Congress

Budget Office Hit on Bid To Scuttle Rail Boards

(Continued from Page 1)

broken up because it is "an inappropriate federal function."

Pointing out that 25 Congresses have given support to the system and the Supreme Court has repeatedly upheld the federal role in railroad affairs to maintain an efficient interstate rail transport system, Berge concluded that the "only impropriety here is OMB's arrogation to itself of the constitutional authority to make that determination."

BERGE ALSO charged that, if the OMB plan to break up the system fails in the budget process, the agency is "determined to destroy it from within" by cutting the board's personnel to the point where it would be unable to effectively administer pension, unemployment and sickness benefits.

Berge said OMB's projected budgetary savings from dismantling the rail retirement system are "mythical" since rail management and labor pay for all benefits beyond those social security is required to pay, except for the so-called "windfall" or "dual" benefits. Congress agreed to fund these benefits for some 400,000 retirees out of general revenues in 1974.

Rail labor is not alone in protesting the Administration proposals to break up the retirement system. A "sense of the Senate" resolution protesting the proposal was introduced by Sen. Howard Metzenbaum (D-Ohio) with 20 co-sponsors. Two similar resolutions have been introduced in the House.

RIPP, WHO chairs RLEA's Railway Labor Act committee, said that by decreasing the budget for the National Mediation Board by some $2 billion, OMB would eliminate the National Railroad Adjustment Board and the Special Boards of Adjustment.

He said the National Mediation Board already had informed the railroad unions that it would no longer pay rent on the Adjustment Board and that the board would shut down.

Contrary to OMB's "so-called rationale" that the industry does not pay anything for the board's services, Ripp said rail management and labor pay for the board's maintenance on a 50-50 basis with the federal government.

OMB'S budget-saving action in the case of the boards is "ill-conceived, ill-considered and ill-advised," Ripp said. The shutdown would only shave about three ten-thousandths of 1 percent of the federal budget, he pointed out, while having grave consequences for the grievance and arbitration procedures set in the Railway Labor Act.

Ripp noted that railroad unions traded the right to strike over minor disputes for the establishment of a national, federally financed adjustment board in 1934 amendments to the act. This trade-off was recognized by the Supreme Court in a 1954 case, the Brotherhood of Railroad Trainmen v. Chicago River & Indiana Railroad.

If the board shuts down and there is no compulsory arbitration panel to which rail workers may submit disputes, Ripp said, then the basis for the Supreme Court's Chicago River decision will have been removed.

THIS WOULD mean that rail workers "will be free to strike over each and every minor grievance that is left unresolved," Ripp warned.

He said railroad unions would be willing to work with Congress to improve the adjustment board, "but the budgetary process simply is not the appropriate means to make any changes of substance in the Railway Labor Act."

RAILROAD RETIREMENT SYSTEM and the National Railroad Adjustment Board are jeopardized by the Reagan Administration's attempts to use the budget process to dismantle them, union representatives warn at a hearing of the House Appropriations Committee. Testifying are, from left, Ole M. Berge, President, Maintenance of Way Employees; William G. Mahoney, Railway Labor Executives Association counsel; and Andrew M. Ripp, Vice President, International Brotherhood of Electrical Workers.

Supreme Court Reaffirms Negotiated Seniority Rights

A 5-4 majority of the Supreme Court held that seniority systems established in good faith—not as a subterfuge to accomplish illegal discrimination—are immune from challenge under the Civil Rights Act.

It overturned, as union attorneys had urged, an appellate court decision that sought to apply different tests to seniority systems that were in effect when the 1964 Civil Rights Act was adopted and those established after that date.

IN A JOINT BRIEF to the Supreme Court, the AFL-CIO and the Bakery, Confectionery & Tobacco Workers had argued that the interpretation by the 4th Circuit U.S. Court of Appeals flouted the intent of Congress as demonstrated by the language and legislative history of the law.

The case that reached the court dealt with a seniority system established in 1968 at American Tobacco Co. plants in Richmond as part of a collective bargaining agreement.

The new system overcame in part the effects of past racial discrimination at the plants, but a subsequent class action brought by a group of black employees contended that the union and company had not gone far enough.

AT ISSUE was the interpretation of a section of the Civil Rights Act specifying that it is not "an unlawful employment practice" to apply different pay or employment conditions standards based on "a bona fide seniority or merit system," or a piece-work system, "provided that such differences are not the result of an intention to discriminate because of race, color, religion or national origin."

A previous case decided by the Supreme Court appeared to sustain the union's interpretation of the law. But the appellate court majority took the position that the law's deference to legitimate seniority systems applies only to those in place before 1964.

The union brief viewed such an interpretation as clearly in error.

THE SUPREME COURT majority agreed, holding that the appellate body's interpretation runs counter to the law's plain language, is inconsistent with prior Supreme Court decisions, and contrary to national labor policy.

Justice Byron R. White wrote the majority opinion, joined by Chief Justice Warren E. Burger and Justices Lewis F. Powell, Jr., William H. Rehnquist and Sandra O'Connor.

Effect of AFL-CIO Tax Proposal

For $700 Cap on 1982 and 1983 Individual Tax Cuts

Income		Pre-1981 Law Tax Liability	1982 Tax Reduction from 1981: Current Law	1982: AFL-CIO Proposal	1982: Difference	1983 Tax Reduction from 1981: Current Law	1983: AFL-CIO Proposal	1983: Difference
$ 10,000	(family of 4) ..	$ 550	$ 74	$ 74	None	$ 111	$ 111	None
	(family of 2) ..	900	114	114	"	171	171	"
	(single)	1,177	134	134	"	226	226	"
$ 20,000	(family of 4) ..	2,013	228	228	None	371	371	None
	(family of 2) ..	2,457	268	268	"	459	459	"
	(single)	3,115	326	326	"	610	610	"
$ 30,000	(family of 4) ..	3,917	405	405	None	744	744	None
	(family of 2) ..	4,477	465	465	"	844	844	"
	(single)	5,718	566	566	"	1,081	1,081	"
$ 40,000	(family of 4) ..	6,312	639	639	None	1,188	1,188	None
	(family of 2) ..	7,052	719	700	$ 19	1,328	1,328	"
	(single)	8,886	874	700	174	1,653	1,400	$ 253
$ 45,000	(family of 4) ..	7,737	793	700	93	1,458	1,400	58
	(family of 2) ..	8,528	873	700	173	1,606	1,400	206
	(single)	10,673	1,047	700	347	1,980	1,400	580
$ 50,000	(family of 4) ..	9,323	947	700	247	1,754	1,400	354
	(family of 2) ..	10,183	1,027	700	327	1,914	1,400	514
	(single)	12,559	1,239	700	539	2,326	1,400	926
$120,000*	.....	35,578	2,229	700	1,529	5,324	1,400	3,924
$120,000**	.....	36,477	3,128	700	2,428	6,223	1,400	4,823

***Four-person family, all income from wages or salary.**
****Four-person family with $100,000 salary income and $50,000 capital gains (of which only 40% or $20,000 is included in income).**

Note: All calculations based on usual assumption of personal deductions equal to 23% of income and one wage earner.

Estimated Revenue Gain: F.Y. 1982 = $ 6 billion
F.Y. 1983 = 13 billion
F.Y. 1984 = 9 billion
TOTAL = $28 billion

Washington Senate Votes Down Con-Con

Olympia, Wash.—Washington will not become the 32nd state to adopt a call for a national convention to draw up a balanced budget amendment to the U.S. Constitution.

With strong lobbying from the state's labor movement and its allies, the state Senate killed the House-passed resolution by a 31-17 vote.

A year earlier, the battle had been reversed with the Senate passing the resolution and the House rejecting it. Thirty-four states can compel a constitutional convention, although the procedure has never before been used. Washington has been one of the target states of right-wing groups pushing the amendment.

Union-Busting Subsidy For Hospitals Hit

(Continued from Page 1)

imbursement policy for management consultant fees encourage "expansion of an already unsavory and socially useless industry."

With "similar logic" to its earlier attempt to declare catsup a vegetable that meets school lunch requirements, the Administration now has "declared union-busting to be an appropriate medical treatment," he said.

• Machinists Vice President George Poulin said the new government regulations "not only legitimatize union-busting but reward it out of taxes collected from those being busted."

He termed it "criminal . . . to further reduce amounts for patient care by subtracting out payments to union-busters."

• Food & Commercial Workers Vice President Arnold Mayer protested the "partnership of government and employers to use public money" to fight the effort of workers to improve their conditions.

The Administration policy is "incredibly biased," he protested.

• National Council of Senior Citizens President Jacob Clayman noted that the answer to efforts to broaden Medicare benefits to cover prescription drugs, dental care and other now-excluded health costs has always been that "it costs too much."

IF THAT is so, he suggested, surely scarce funds shouldn't be spent "to prevent the honest efforts of hospital workers to achieve a modicum of self-protection and dignity on the job."

The Administration position was defended by Paul R. Willging, deputy administrator of the Health Care Financing Administration, who contended that the previous policy of not allowing payments to management consultants was slanted in favor of unions. He said that there is no reason not to reimburse hospitals for consultant fees on labor matters so long as the National Labor Relations Act isn't violated.

A FLAGRANT MISUSE of public funds describes the Reagan Administration's decision to let hospitals and nursing homes bill Medicare for fees paid to union-busting consultants, union witnesses told a House Subcommittee on Labor-Management Relations. Service Employees President John J. Sweeney shows the committee an example of the materials paid for by tax dollars. Appearing with Sweeney were his assistant, Cathy Schoen, and SEIU Assistant Organizing Director David Cromer.

Reagan Urged to Block Deal For Japanese Subway Cars

Union and industry leaders called on President Reagan to block a deal subsidized by the Japanese government for the sale of $275 million worth of subway cars to the New York City transit system.

President Lloyd McBride of the Steelworkers and Chairman Adolph J. Lena of the Specialty Steel Industry advisory committee warned that the transaction would have a harsh impact on U.S. industry and jobs and deal a long-term setback to the American economy.

THE TRANSACTION between Kawasaki Heavy Industries and the New York Metropolitan Transit Authority is being financed through a 12¼ percent loan from the Japanese government—well below the current 16½ percent U.S. prime lending rate.

McBride and Kena charged in a letter to Reagan that the deal clearly contradicts the intent of the subsidy code under the General Agreement on Tariff & Trade.

The Specialty Steel Industry coalition said Reagan has authority under GATT to rescind an agreement that is deemed detrimental to the U.S. economy.

"This subsidized import transaction sets a very dangerous precedent," McBride and Kena wrote Reagan. "Other public transit authorities in scores of American cities are likely to follow the lead of New York unless you personally intervene to halt this brazen blow to American industry and jobs."

THEY SUGGESTED that if foreign firms are awarded all the contracts for New York's planned purchase of 1,150 subway cars, the total transaction would exceed $1.2 billion. The current Kawasaki deal is for 325 cars.

McBride and Kena said it was "ironic that the Japanese should be permitted to use loans to subsidize major exports such as the Kawasaki subway car transaction after chalking up a huge $18 billion trade surplus with the United States in 1981—which is projected to reach $24 billion in 1982."

PRESIDENT David J. Fitzmaurice of the Electrical, Radio & Machine Workers said the fact that only one American firm made a bid on the New York contract points up "the crying need for a national policy to foster reindustrialization" in the United States.

"We need to require that all public tax moneys used for procurement be spent on U.S.-made products and service where available," Fitzmaurice said. "Where subsidization is necessary for building up our industry, the U.S. government should do so by straight-out targeted grants and low-interest loans."

In pursuing labor's concerns over the subway contract, the New York State AFL-CIO has placed newspaper advertisements urging union members to write the state Public Authorities Control Board to rescind the agreement.

SEC.-TREAS. E. Howard Molisani of the state labor federation said the six-member board has power to reject the agreement because state funds help finance the New York City MTA.

In a letter to the board, AFL-CIO Regional Director Michael Mann branded the transaction "callous, short-sighted and impervious to the suffering of jobless Americans." Mann pointed out that 10 million U.S. workers are unemployed, including 750,000 in New York State.

Court Blocks Firm's Sale Pending NLRB Settlement

San Juan, P.R.—A federal court here granted a request of the National Labor Relations Board to freeze the assets of a Puerto Rican garment firm until a series of unfair labor practice charges against it is resolved.

The company, Alle Arecibo Corp., went out of business last month, and informed the NLRB that it would be selling off its inventory and plant equipment.

JUDGE JUAN M. Perez-Gimenez of the U.S. District Court for the District of Puerto Rico ruled that sale of the company would act "so as to frustrate" the NLRB's anticipated order to the firm directing payment of back pay and other financial liability.

If the sale were to go through, Perez-Gimenez said, there would be no assets available for the company "to comply with its obligation to pay the individual employees and the union." He added:

"Unless such activity is enjoined and restrained, and the proceeds of the sale or transfer of any assets of (the company) held for protection," the employees and their union, Local 601 of the Ladies' Garment Workers, would have no meaningful remedy available when the board's order is issued.

THE UNION filed the unfair labor practice charges against the firm during 1981, accusing the company of unlawfully discharging or locking out 15 employees because of their union activities, threatening other workers and promising them benefits if they quit the union, and of other violations.

The union, which had represented the workers since 1974, charged that the company refused to supply it with information on employees, to bargain with it, or to make payments to its health and welfare fund.

LAST JANUARY, before a hearing on the charges was held, an ILGWU representative said he saw company officials remove machinery from the factory here. Following the hearing before an NLRB administrative law judge on Mar. 1-3, Alle Arecibo's president told the NLRB that the firm was closing its operations and selling its capital assets.

The company denied an NLRB request for written assurance that it would voluntarily set aside funds from the proceeds of the sale to satisfy the anticipated board order. The NLRB's regional director then sought a preliminary injunction against the company to preserve the funds.

4/10/82

Correspondence about address corrections should be sent with attached mailing label to: Subscriptions, Room 209, 815 16th Street, N.W., Washington, D.C. 20006.

Study Details Reaganomics' Cost to States

President Reagan's fiscal year 1983 budget proposals threaten dozens of social programs at the state level, a study released by the AFL-CIO Public Employee Dept. warns.

In announcing the report, PED Executive Director John F. Leyden said:

"Our analysis of the Administration's FY '83 state grants to support 36 social programs shows that, in all, the states stand to fall more than $11 billion behind what they need merely to keep these programs going at last year's levels.

"THIS LOSS—coming on top of the $18 billion taken from the states in Reagan's FY '82 budget—demonstrates that the President's 'new federalism' proposals are truly a sham. And to make things worse, the official 'new federalism' program—whereby the states would pay for Food Stamps and Aid to Families with Dependent Children, in exchange for a federal take-over of Medicaid—is going to mean a further loss to the states of $17 billion in 1984."

The study cited the following nationwide shortfalls in key programs:

• Some $2 billion in Medicaid, $375 million in New York alone.

• $1.5 billion in Employment Training & Assistance grants, $86 million in Illinois alone.

• More than $1 billion in Aid to Families with Dependent Children, $189 million in California alone.

• More than $1 billion in subsidized housing grants, $50 million in Massachusetts alone.

• $865 million in the special supplemental food program for women, infants, and children, $2.2 million in the District of Columbia alone.

• $271 million in child nutrition funds, some $22 million in Texas alone.

• $217 million in Energy conservation grants, $12.6 million in Pennsylvania alone.

"THE PRESIDENT is slashing these federal funds for social programs," Leyden said. "Does he expect the states to replace these sums, while their own revenues are threatened by conformity to federal tax cuts passed last year as part of his so-called Economic Recovery Act?"

The full report, "Reagan's '83 Budget: More Bad News for the States," is available for $2 from the AFL-CIO Public Employee Dept., Suite 308, 815 16th Street, N.W., Washington, D.C. 20006.

O'Neill Hailed For Firm Stand On Social Security

A statement by House Speaker Thomas P. O'Neill, Jr. that "in no way are we going to balance the budget on the backs of the senior citizens" brought a strong concurrence from AFL-CIO President Lane Kirkland.

Kirkland wired O'Neill that labor stands with him in opposing any freeze or reduction of cost-of-living increases in social security and other retiree programs.

"The elderly, as a predominantly lower income group, are particularly vulnerable to inflation. Most of them have been fighting a losing battle even with the inflation adjustments," Kirkland noted.

At the AFL-CIO regional conferences that are being held throughout the nation, Kirkland said, participants expressed strong support for maintaining the protections of the social security program and opposition to benefit cuts in this or other retirement programs.

"Social security is a self-financed program based on earned rights. Cutbacks in this program must not be used to offset deficits elsewhere in the budget," Kirkland insisted.

POPE JOHN PAUL and AFL-CIO Sec.-Treas. Thomas R. Donahue talk at a reception in Rome for participants in an international symposium sponsored by the Pontifical Commission on Justice & Peace. Donahue's presentation examined the development of Catholic social teaching with regard to workers from an American perspective. **(Story, Page 2.)**

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NLRB Upholds Unions' Access To Safety Data

By John R. Oravec

The National Labor Relations Board unanimously upheld the right of union access to worker safety and health records, but a part of the NLRB decision could create a "trade secret" barrier enabling companies to withhold certain information on dangerous chemicals.

While welcoming the thrust of the ruling, the AFL-CIO said a federal court review is needed to correct what the federation described as the flawed portion of the decision.

THE NLRB RULED that three chemical manufacturers committed unfair labor practices by refusing requests of two unions for health, safety and medical data on workers as well as the generic names of substances—toxic or not—that are used or produced at their plants.

The complaints were initiated in the late 1970s by the Oil, Chemical & Atomic Workers and the Chemical Workers against Minnesota Mining & Manufacturing Co., Colgate-Palmolive Co. and Borden Chemical Co.

In upholding the unions' request for disclosure, the board said few matters could be of greater concern to workers and their unions "than exposure to working conditions potentially threatening their health, well-being or their very lives."

ON THAT premise, the NLRB ordered the companies to provide unions with the information they had requested on safety and health programs, monitoring and testing systems, and individual medical records without specifically identifying the individuals.

The board also said the three firms must release the generic names of all chemicals and substances workers encounter on the job except those that "constitute proprietary trade secrets."

In commenting on the overall ruling, AFL-CIO Occupational Safety Director George H. R. Taylor said the NLRB acted properly under federal labor law to uphold union access rights.

"WE DISAGREE, however, with the board's ruling on letting employers condition access to information which involves 'trade secrets,'" Taylor stressed.

The OCAW and ICWU have petitioned the U.S. Court of Appeals for the District of Columbia "for review and correction of this error," he said.

The federation, along with the Industrial Union Dept. and the Building & Construction Trades Dept., presented arguments on behalf of OCAW and ICWU at NLRB hearings.

To resolve the trade-secret issue between the unions and the companies, an NLRB majority suggested that the parties take up the matter in collective bargaining.

DISSENTING from the portion of the decision dealing with the trade-secret exclusion, NLRB Member Howard Jenkins, Jr., said the companies should be required to provide all essential information to the unions. "It must be emphasized that confidentiality is not a defense to an obligation to furnish relevant information," he wrote.

Once the information is provided, he suggested, the unions and companies should work out ways to keep the information from falling into the hands of competitors.

(Continued on Page 2)

'Business as Usual'

Kirkland Scores Retreat On Economic Sanctions

New York—AFL-CIO President Lane Kirkland assailed "business-as-usual" influences on America's foreign policy and accused the Reagan Administration of abandoning Poland's workers to protect U.S. bank investments.

Kirkland's sharp attack on a "Fifth Column of capital" subverting this country's democratic ideals came in a major address to the Foreign Policy Association.

HE STRESSED the AFL-CIO's insistence on the "primacy" of freedom of association in the shaping of United States foreign policy, contrasting it with the "neutral" business view which asks only that other governments be "orderly" and "pay their bills."

Kirkland recalled President Reagan's promise to impose strong economic sanctions "if the repression in Poland continued, if martial law were not ended, Lech Walesa and the internees released, and negotiations resumed with Solidarnosc."

But "the bankers are calling the tune," Kirkland charged, and "the President does nothing" while Poland's tragedy "begins to recede to the back pages of the daily newspapers and disappear from the television screen."

KIRKLAND ARGUED the potency of economic pressures to restrain international lawlessness and to achieve compliance with widely ignored international treaties affirming basic human rights.

He chided the double-standard applied by the European Common Market nations that joined Britain in applying trade and credit sanctions against Argentina.

These same countries, Kirkland noted, had rejected as unworkable sanctions against the Soviet Union when it invaded Afghanistan as well as when it dictated the crackdown on Poland's free unions. And they had declined to use economic pressure to help free American hostages in Iran.

BUT IN the dispute over the Falkland Islands, they have "suddenly discovered the feasibility and value of economic warfare," Kirkland said.

He noted also that the OPEC nations did not hesitate to declare economic warfare against the United States for its support of Israel. And the mere threat of oil cutoffs helped European leaders "discover hitherto unsuspected virtue in Palestinian terrorism."

Basic human rights are not linked to any particular economic system, Kirkland stressed. But universal freedom of association would raise hopes for a worldwide allocation of resources "less weighted toward insatiable military appetites." As far as American labor is concerned, freedom to form unions and speak freely "would reduce barriers and lead to con-

(Continued on Page 8)

Radio Solidarity Broadcasts Call For Resistance

Warsaw—Poland's Solidarity labor union, suspended since the imposition of martial law four months ago, defied communist authorities over its own radio station here with a daring Easter Monday call for resistance.

"This is Radio Solidarity," the broadcast began. "We must fight for the release of those imprisoned, for the restoration of human dignity. Our radio station has taken up this struggle. All honorable Poles should do the same."

DURING THE 10-minute broadcast, clearly audible in large parts of Warsaw on an FM wave length, two announcers talked of conditions in internment camps, played an antigovernment folk song, and promised to return to the air on Apr. 30.

"We have been sitting at our Easter table and for a while we may have forgotten we are living in a country in which there is a state of war, a war that the authorities declared against their own people," the broadcast said.

(Continued on Page 8)

Recession Brings Rising Job Losses To All Sections

Unemployment rates in 46 of the 50 states were higher in February than a year ago, the Bureau of Labor Statistics reported, and no section of the nation went unscathed.

Michigan remained the hardest-hit state, with 16.1 percent of its workforce unemployed in the sample month. It had led the unemployment list the previous year as well, with a 14.3 percent jobless rate. The state unemployment tallies are not adjusted for seasonal variations.

UNEMPLOYMENT was up in the Sunbelt as well as the industrial Northeast and Midwest.

The South and Border region had the largest number of states with unemployment increases of 2 points or more—Alabama, North Carolina, South Carolina, Maryland, Tennessee and Virginia, as well as the District of Columbia.

In the Northeast, Massachusetts, Vermont, New Hampshire and Pennsylvania had comparably sharp rises. So did Idaho,

(Continued on Page 2)

Reagan 'Misspeaks' Again On Student Loan Cutback

President Reagan is wrong and his critics are right about the impact of the Administration's budget proposals on the college student loan program, the AFL-CIO said.

Reagan devoted most of a five-minute radio address from his Caribbean vacation site to a denial of charges that students will be forced out of college if his proposal clears Congress. Reagan complained that students had been "misled" and "incited to stage protest demonstrations."

"Despite President Reagan's weekend radio message," the AFL-CIO said, "the Administration has proposed to curb the Guaranteed Student Loan program by doubling the origination fee to 10 percent, forcing students to pay market interest rates after leaving school, basing all loans on need and barring graduate students from the program."

An AFL-CIO recording made available to radio stations in response to Reagan included this comment from James Auerbach, the student loan specialist in the federation's Dept. of Education:

"President Reagan has put the student loan program on the chopping block. The Administration's proposals abandon the national commitment, established 25 years ago under President Eisenhower, that no student of ability would be denied an opportunity to attend college because of financial need."

Donahue Cites Encyclical's Message to Industry

Rome—Pope John Paul II's towering encyclical on the rights of workers, "Laborem Exercens," has given both comfort and challenge to trade unions, employers and the Catholic Church in the United States, AFL-CIO Sec.-Treas. Thomas R. Donahue told an international symposium here.

But the document's central theme—that the priority of labor over capital is inviolable — poses the greatest immediate challenge to U.S. multinational firms whose measure of success is "the bottom line," the amount of profit returned to shareholders, Donahue declared.

Because they are organized around the profit motive, these firms seek to pay the cheapest price for labor and raw materials and to obtain the highest price for their products, he said. All too often, labor is regarded only as a cost factor.

"WE MUST EMPHASIZE and give prominence to the primacy of man in the production process," John Paul said in his papal letter of last September. The Pope called for a re-examination of values in western industrialized nations and a recasting of the employment process in the service of man.

"It is clear that recognition of the proper position of labor and the worker in the production process demands various adaptations in the sphere of the right to ownership," John Paul said in the encyclical, the third of his Pontificate.

Picking up on this theme, Donahue asked delegates to the Apr. 3-5 convocation:

"How much more, then, does that recognition require adaptations of corporate policy to workers? Is it not required that a corporate balance sheet give at least as much attention to the number and quality of jobs it has provided during the year as it does to profits?

"Is it not required—if the worker is to be the center of corporate planning and thought—that allowing one facility to deteriorate through inadequate reinvestment, and closing that facility with resultant unemployment, be considered a wrong that must be avoided and redressed?

"IS IT NOT REQUIRED that greater attention must be given to safety and health measures than to increased output —where that increase is achieved by diluting those measures?"

Only time will tell how many corporations and other employers will accept and implement the concepts of "Laborem Exercens," Donahue observed. There is undoubtedly a major teaching role ahead for the Church and its institutions, particularly in industrialized nations, he added: "an uphill struggle to reeducate those who have too long accepted the view that capital has priority, that capital buys labor, and that without a profit motive there can be no industry."

Donahue recommended that the teaching role of the Church in this matter ought to be organized by the Justice & Peace Commissions in each nation and that the National Conference of Bishops in each country ought to take a new look at their responsibility to insure the teaching of papal encyclicals.

"FOR OUR PART, as trade unionists," he said, "we will go on pressing for the individual elements of worker rights that the Pope has defined and worry not about the system's appropriate title.

"We will continue to struggle for workers' rights, for fair compensation and all that goes with it, and above all to struggle for the recognition of worker dignity that flows from employment, under decent conditions, in a fulfilling toil about which the worker has a say and through which he participates fully in the management, ownership, and profits of the enterprise."

Pope John Paul opened the symposium, which was sponsored by the Pontifical Commission on Justice & Peace and held in Synod Hall at Vatican City. Other speakers included Director Gen. Francis Blanchard of the International Labor Organization and United Nations Sec.-Gen Javier Perez de Cuellar of Peru.

The symposium, titled "From 'Rerum Novarum' to 'Laborem Exercens': Toward the Year 2000," was attended by theologians, church leaders, and others involved in social action from various parts of the world. Donahue was accompanied by Msgr. George G. Higgins of Catholic University.

DONAHUE SAID the same calls for social justice which flowed from Pope Leo XIII's "Rerum Novarum," the Church's first encyclical dealing with worker rights, ought to flow from "Laborem Exercens," written to commemorate the 90th anniversary of the former papal letter.

Together with Pope Pius XI's "Quadragesimo Anno," issued in 1931, and John XXIII's 1961 "Mater et Magistra," the first and the most recent encyclical form an interconnected social charter on the dignity and rights of workers.

"In the last 50 years, many of the encyclical concepts have found their way into the fabric of non-communist western societies," Donahue said. "Much, of course, needs to be done, not only in our own nation, where social inequities and social injustices continue to persist, but in an overwhelming sense in what is called the Third World."

TO ITS credit, the Catholic Church is not flinching from this task, Donahue observed. Just before leaving for Rome, he said, he read a statement by Bishop Joseph Sullivan of Baton Rouge, La., to the House Budget Committee on behalf of the Bishops' Conference and the National Conference of Catholic Charities in which the two institutions called on the federal government to make up the shortfall in meeting the basic needs of Americans caused by last year's budget cuts.

In his address, Donahue gave a U.S. perspective of the implications of "Laborem Exercens," for the future development of the struggle for social justice for workers. The papal letter's view that labor unions are "an indispensable element" of modern industrialized societies, serving as "advocates for the struggle for social justice and for the just rights of working people" gives new hope and encouragement to the American labor movement, he said.

ONLY THREE months after "Laborem Exercens" appeared, he noted, the American Bishops issued a lengthy pastoral letter spelling out the moral obligation of Catholic health care facilities to recognize the rights of their workers to organize and bargain collectively.

"The Church as employer has great influence with the workers it employs, and it has too often in the past used that influence to dissuade workers from choosing union representation," Donahue observed. "Our hope that managers of all Catholic, and indeed all religious, institutions would adopt the same policies and would observe neutrality when their employees consider union representation.

The encyclical's call for extending worker solidarity to new groups, including "certain categories or groups of the working intelligentsia," parallels the AFL-CIO's recent efforts to bring the benefits of trade union organization to scientists, engineers, teachers, and nurses as well as to agricultural, service, and industrial workers, he noted.

ON AN international level, Donahue said the federation's recent return to the International Confederation of Free Trade Unions is "an expression of our solidarity with workers throughout the world and a reflection of our belief that we can best work with, and cooperate with, other unions through such an international organization."

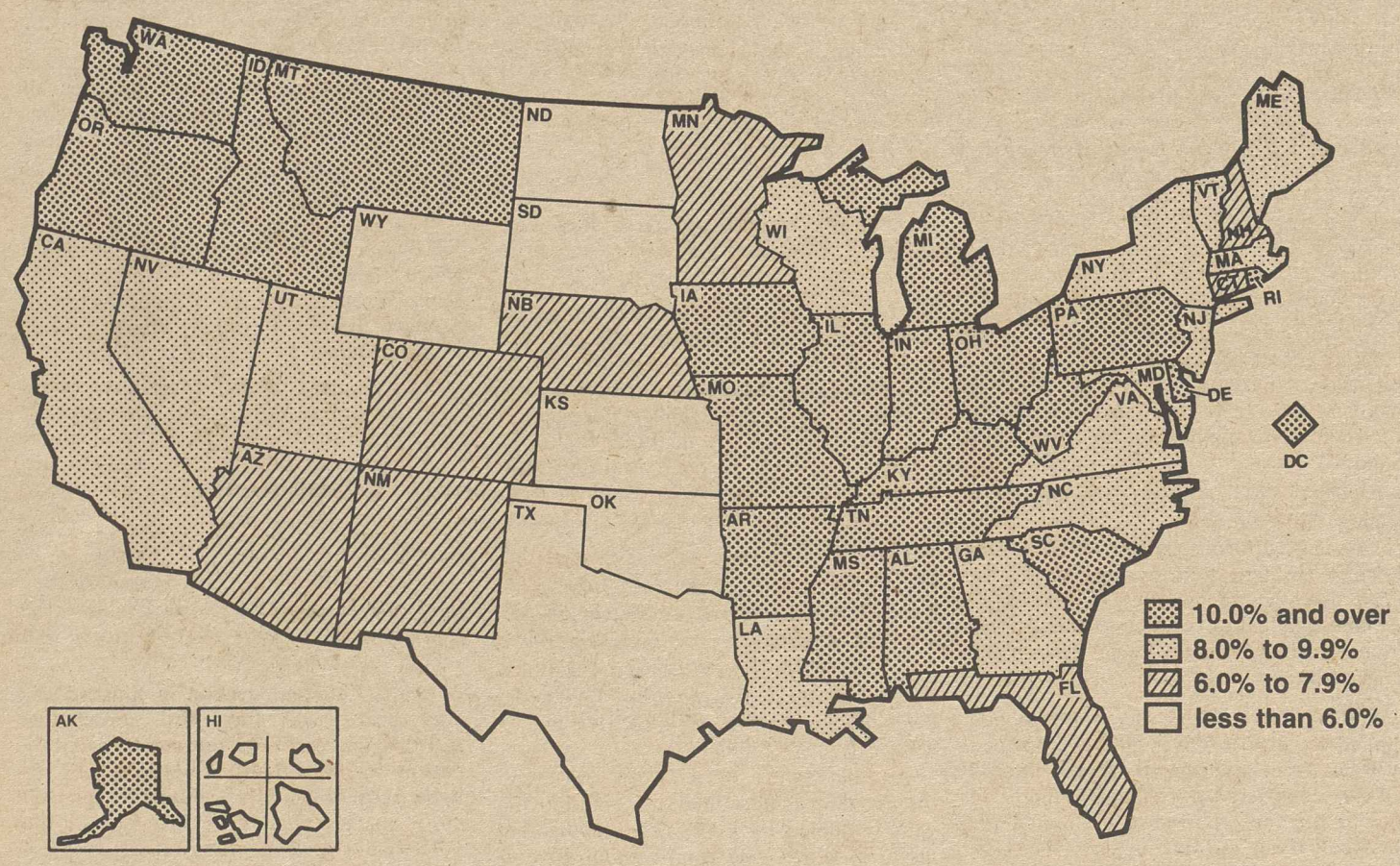
In other areas, Donahue strongly criticized the Reagan Administration for failing "to act against unemployment, which in all cases is an evil and which, when it reaches a certain level, can become a real social disaster," as the encyclical states.

DONAHUE NOTED that the small section of the encyclical that deals with workers' rights to strike and the papal injunction that essential community services must be ensured received a great deal of attention in the United States because of the issuance of the document during the U.S. air traffic controllers' strike.

"While the section was obviously not intended to have that effect," he said, "it was much cited as defending the actions of the President in discharging all of the striking employees.

"It is unfortunate that the encyclical, while forthrightly noting that essential community services must be ensured, does not call with equal vigor for substitute mechanisms to ensure fair treatment of workers who, on the theory that there is no other way to insure essential services, may be deprived of their right to strike."

Unemployment Rates by State, February 1982



Source: U.S. Department of Labor, Bureau of Labor Statistics, April 1982

NLRB Upholds Right of Unions To Safety Data

(Continued from Page 1)

Labor safety specialists have long expressed concern that many employers have sought to use the "trade secret" provisions of federal regulations to avoid adequate labeling of toxic substances and limit other essential information unions have sought for worker protections against workplace hazards.

AN OCCUPATIONAL Safety & Health Administration standard, which has been bottled up by an employers' court challenge, provides for union access to trade-secret information under certain conditions. Unions would be required to sign pledges to preserve confidentiality before the information is released by employers.

However, OSHA is now drafting a revised regulation that would give companies wider leeway in withholding information on certain hazardous materials on the claim of trade-secret confidentiality, according to an AFL-CIO analysis.

The Minnesota Mining case also involved a request by OCAW for release of data on the company's affirmative action plan covering women and minorities.

An NLRB administrative law judge ruled in favor of the union on the affirmative action issue, but the NLRB majority reversed the decision. Jenkins dissented.

Impact of Job Losses Felt in All Sections

(Continued from Page 1)

Montana and Washington in the West, and Indiana, Iowa and Ohio in the North Central region.

TWENTY-ONE states reported 10 percent or higher unemployment this February, the highest number in the 12 years the data has been compiled. A year ago, only nine states had double-digit unemployment, and only 16 had jobless rates higher than the previous year.

The unemployment rate dipped in four low-population states, Delaware, New Mexico, South Dakota and North Dakota. But the drop was only from 10.2 to 10.1 percent in Delaware and exceeded one point only in North Dakota. Wyoming and Oklahoma had the nation's lowest unemployment rates, at 4.8 percent, despite over-the-year increases.

The BLS analysis said the states with the biggest jump in unemployment were those hurt "by the prolonged slump in manufacturing and housing, as well as cutbacks in government employment."

UAW Ratifies GM Contract By Close Vote

Detroit—A new national agreement between the Auto Workers and General Motors Corp. won approval by a majority of those workers voting on the contract, UAW President Douglas A. Fraser and Vice President Owen Bieber announced.

Fraser and Bieber said 52 percent of those members voting favored the pact. The total vote count was 114,468 in favor of the agreement and 105,090 opposed. The 30-month contract became effective on Apr. 12.

THE AGREEMENT trades wage and benefit freezes for job security, profit sharing, and other protections, and replaces a contract scheduled to expire Sept. 14.

"The closeness of the vote makes it clear that this was a very difficult and painful step for our UAW-GM members, yet one taken in an attempt to address our problems in these very troubled economic times," Fraser said.

"However, we agree with the majority of those voting that this agreement will go far to protect the job and income security of our UAW-GM members, while keeping intact our basic wage and benefit structure. The new contract should stop the hemorrhaging of our jobs and bring many thousands of our laid-off members back to work.

"Hopefully, we'll go to the bargaining table in 1984 to negotiate with a healthy industry in an expanding economy," he said.

THE NEW contract covers some 470,000 active and laid-off workers. Terms generally follow those negotiated in February at Ford Motor Co.

Workers will receive no general wage increases, the next three cost-of-living adjustments will be deferred for 18 months each, and paid personal holidays will be eliminated. In exchange, the company agreed to reverse plans to close four plants, beef up benefits for laid-off workers, set up a profit-sharing plan, and fund a legal services plan.

APPROVAL OF the GM contract leaves only American Motors Corp. among the domestic auto manufacturers without a labor contract that reflects the current slump in car sales. AMC and the union resumed negotiations Apr. 14 on a new pact under which employees would defer future pay increases to help the company finance the development of new products. The money would be repaid later with interest.

Negotiations had broken off Mar. 31 after sputtering for weeks.

PICKET LINE at Group Health Association's Washington, D.C. facility is swelled by nearly 300 members of AFL-CIO unions supporting striking nurses and physical therapists. The health care workers, represented by the unaffiliated Registered Nurses & Physical Therapists Association, are seeking greater staffing to improve patient care and better wages. The 85 nurses and therapists are among the lowest paid of any HMO in the metropolitan area.

Subsidized Steel Imports Hit As Industry Job Losses Soar

Imports made cheap by government subsidies have forced unemployment in the U.S. specialty steel industry to "catastrophic proportions," Steelworkers President Lloyd McBride charged.

Joblessness in the industry is now at 23 percent, well over twice the national rate, McBride emphasized in a statement submitted at hearings on unfair trade practices held by U.S. Trade Representative William E. Brock.

McBRIDE, ALONG with employer representatives, asserted that many foreign specialty steel makers are competing unfairly because they receive heavy subsidies from their governments, enabling them to undercut U.S. producers' prices.

Richard Simmons, president of Allegheny Ludlum Steel Corp., testified that more than 60 percent of the import competition U.S. companies face is owned by foreign governments.

McBride linked "a large part" of the unemployment in the industry directly to "a sharp rise in subsidized imports." He stressed that "this tragic loss of jobs does not come about because our steelworkers are less efficient or less productive than foreign workers."

THE SPECIALTY steel industry in the United States, he said, "is the world's leader in technology and productivity, and our workers can match and surpass the productivity of any specialty steelworkers on the face of the earth."

"When our government permits other countries to ship their unemployment to the United States, traumatic experiences for steelworkers are inevitable," McBride observed.

Manufacturers and steelworkers have repeatedly been assured by the government "that we would not have to compete against illegal, subsidized imports, McBride said. He cited the Trade Agreements Act, which forbids such subsidies, as well as agreements between the United States and its trading partners "pledging not to indulge in such practices."

"WE ONLY ASK that our government enforce the law," McBride said.

Specialty steel manufacturers and the union filed a complaint with the U.S. trade representative last December accusing six European countries and Brazil of underpinning their steelmakers with subsidies or of providing "concealed subsidies" through outright government ownership.

Brock dropped Brazil and Belgium from the case in March, leaving Austria, France, Italy, Sweden and the United Kingdom on the list for investigation.

Brock's office said Brazil has agreed to limit specialty imports, but the manufacturers and the union are urging that he reinstate the case against Belgium based on additional evidence they have collected showing substantial government ownership of major Belgian specialty steel exporters.

Federal Agencies Blacklist Controllers

Federal air traffic controllers who were fired by President Reagan last August for striking are now being blacklisted from getting other jobs both in government and the private sector, according to documents compiled by their union.

The Professional Air Traffic Controllers Association charged that PATCO members are encountering stiff job discrimination in attempts to land government work despite an Executive Order that Reagan signed as "an act of compassion" declaring them eligible for hiring by federal agencies other than the Federal Aviation Administration.

MORE THAN 50,000 federal jobs have been filled since the order was issued last Dec. 9 but not one former air traffic controller has been hired, PATCO said.

The union accused the Dept. of Defense of blatant discrimination by circulating a directive barring former FAA air traffic controllers from being hired.

"It appears as if the directors of some federal agencies have ignored President Reagan's stated policy," PATCO President Gary W. Eads observed.

"These occurrences of blacklisting are real and they serve no purpose other than to harass former controllers and their families, all of whom have been treated more harshly than anyone can realize," he said.

Citing scores of instances of federal hiring discrimination, Eads said PATCO members have had "no trials, no hearings, just complete condemnation since last August."

PATCO also released correspondence dealing with the firing of a former controller in California by the U.S. Postal Service. He was told by the local post office that an order came from a USPS regional headquarters office calling for his discharge solely because of his role in the FAA strike.

ANOTHER PATCO member who had applied for a post office job was informed by letter from a supervisor that he would not be considered for the opening "do (sic) to the fact you were terminated for alledgedly (sic) striking against the U.S. Government when employed by the Federal Aviation Administration."

Other PATCO documents disclosed that a fleet operator for a moving van company in Michigan cited government pressure as the reason for not hiring former controllers.

The Dept. of Defense directive which PATCO cited covers provisions for licensed contractors who handle the staffing for certain military airport towers. These are jobs that DOD has been unable to fill because many military controllers were shifted to FAA facilities to handle commercial and private aircraft traffic after the 11,400 PATCO members were fired during the strike.

WHILE THE DOD provisions point out that neither the contractor nor the hired controllers will be considered federal government employees, the directive warns that "the contractor is prohibited from using any FAA controllers discharged for participating in the strike 3 Aug. '81 against the Government."

And according to a sworn statement, the Michigan fleet operator of moving vans is quoted by PATCO as saying that his firm, which held a number of government contracts, could not consider job applications from former controllers because of government pressure. A specific government agency was not named, the statement said.

Union Pacts With AT&T Protect Jobs

Two more unions reached agreement with the American Telephone & Telegraph Co. on employee protection plans to guarantee workers' jobs and benefits after the firm's divestiture of its local operating companies.

The two unions—the International Brotherhood of Electrical Workers and the unaffiliated Telecommunications International Union—signed pacts paralleling the agreement reached by the Communications Workers on Mar. 26.

ALTHOUGH employee protection guarantees had been negotiated during the last round of collective bargaining in 1980, the unions sought new provisions to ensure that their members would be protected under the type of restructuring envisioned by the agreement for divestiture entered into by AT&T on Jan. 8.

The giant telecommunications firm, in settlement of a government antitrust suit, has agreed to divest itself of 22 Bell telephone companies, which it says it will restructure into seven regional corporations.

In addition to basic job benefit guarantees, the agreements cover transfer and relocation allowances, pension benefits, disability benefits, and insurance. Workers who must relocate will receive the greater of the transfer benefits offered by their former and new employers.

IN THE pacts with IBEW and TIU, the firm agreed that Bell System companies will continue to be bound by both the employee protection plan and any bargaining agreement in effect at the time of divestiture.

CWA represents about 533,000 Bell System workers, IBEW about 120,000, and TIU about 50,000.

Wholesale Price Dip Linked to Oil Glut, Slump

Wholesale prices, or what the government calls producer prices, fell by one-tenth of 1 percent on a seasonally adjusted basis the second straight month, the Bureau of Labor Statistics reported.

The dip in the producer price index for finished goods resulted from falling energy prices caused by the world oil glut and lower demand levels in the economy due to the Reagan Recession.

IN THE January-March quarter of 1982, the prices of finished energy goods fell at an 18.5-percent annual rate, "a drop approached only by a 14.2-percent rate of decline in the first quarter of 1976," BLS said.

The decline in energy prices last month was a seasonally adjusted 2.3 percent, the largest drop since a 2.9 percent decline in January 1976. Finished energy goods prices declined 1.8 percent in February.

Also figuring in the March wholesale price decline was a two-tenths of 1 percent drop in finished food prices. Food prices rose five-tenths of 1 percent in February and 1.1 percent in January.

PRICES received by producers at all three steps of processing—finished, intermediate, and crude—fell in March, as they had in February. BLS said this was the first time since 1967 that all three fell together in consecutive months.

The 2.3-percent decline in finished energy prices was the third consecutive monthly decrease and the largest monthly decline in more than six years. Prices for both gasoline and home heating oil fell more sharply than in February. On the other hand, prices for natural gas rose 2.4 percent after increasing 2 percent in the previous month.

Among other finished goods, prices fell more than in February for fresh fruits and vegetables and for cooking oils.

The Bankers Call the Tune

THE BASIC AIMS of foreign policy emerge from and ought to be rooted in the basic concerns of human society:

First, the natural desire of those who share ethnic, language or other common bonds to govern themselves, as nations.

Secondly, the freedom and rights of plain people as against the state or any other stronghold of power—that is to say "liberty and justice for all."

If those two values were not at issue, it would matter little what flag flew over any land and armies would be a redundant burden, there being no good reason either to advance or resist.

NO POLICY which remains indifferent to the forces and aspirations that move the multitudes and bring them from time to time to a critical mass more potent than tanks or truncheons can faithfully reflect this nation's ideals and interest.

Our long and futile courtship with the Shah of Iran, while other forces worked the streets, bazaars and refinery crews, should have taught us that. Our current romance with Khalid, Hussein and Pinochet will teach us again.

As for our financial and commercial elites, they have impeached themselves as the guardians of our national ideals or interests—or of anything else save their corporate purses.

Their test is not one of liberty and justice, but whether states are "orderly and responsible" and "can pay their bills."

No cry from the Gulag, no shriek of pain from the dungeon . . . stays their service of tyrants or outweighs a ruble in their scale of values.

I do not suggest a campaign to reform the world of finance and business. I suggest rather that such a view should no longer drive our foreign policy or be confused with the national interest.

THE PRESIDENT has repeatedly promised that if the repression in Poland continued, if martial law were not ended, Lech Walesa and the internees released, and negotiations resumed with Solidarnosc under the terms of the Gdansk agreement, he would add strong economic measures to his modest early sanctions.

But the bankers are calling the tune, and the tune is "business as usual at the same old stand."

Today is the 122nd day of Lech Walesa's captivity. Thousands of Solidarity members languish in concentration camps, whose dismal conditions have been described in letters smuggled to the West. Workers are being beaten and sentenced to jail terms.

And, while the President does nothing—while in fact, he continues to avoid defaulting the Polish loans by bailing out the banks at the taxpayers' expense—the Polish tragedy begins to recede to the back pages of the daily newspapers and disappear from the television screen.

Nevertheless, Solidarnosc exists. Jaruzelski has found no quisling in its ranks. His problems mount and are further compounded by the economic failure of the entire Soviet empire, which is today sustained by western credits. The game is not over, and our potential leverage over the outcome is great, if we can but find the will.

—From address by AFL-CIO President Lane Kirkland to the Foreign Policy Association, Apr. 13, 1982, New York City.

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THOMAS R. DONAHUE, *Secretary-Treasurer*

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C*A*S*H

Truly Affluent Fare Better

Surging Costs of Necessities Hit Poor Harder Than Rich

By Gus Tyler

IT REALLY DOESN'T pay to be poor. It costs too much. Consider, for instance, how much more expensive inflation is to people with a small income than it is to big earners.

Poor people must content themselves with the necessities of life: food, fuel, housing and health care. More affluent can indulge in non-necessities as well—like new clothing, a first-hand car, or a hair-do.

Now how has inflation hit these two different costs: necessities and non-necessities?

Between 1973 and 1979, the cost of necessities has doubled. In the same period, the cost of non-necessities has gone up only half as rapidly.

THIS MEANS that if you spent most or all of your income on necessities, you were hit very hard. But if you spent less of your income on necessities and more of it on non-necessities, you were not hit so hard.

For the one family out of five at the bottom of the nation, necessities eat up 90 percent of the budget. Within that unhappy community, there are the official "poor" who—after they pay for housing—must debate whether they should eat or get heat and must count on public institutions for health care.

For most families, necessities count for 60 to 70 percent of the budget—a hard wallop but a mild blow as contrasted with the devastating cost to the poorer families of the country.

CONTRAST THE costs to the average family or of the poor families with those of a family with an income of a million dollars a year. For such a wealthy family, necessities may not make up more than 5 or 10 percent of income. So the bite that inflation takes out of them is tiny.

Indeed, housing may not be a cost at all to the rich. While mortgage payment or maintenance may be high, the value of the property is very likely shooting up even more rapidly than the rate of inflation. The poor family, however, that pays rent or inhabits a hovel in a rundown area where property values may actually be going down, enjoys no such relief from housing costs.

For the truly affluent, inflation may indeed be a boon. They may not spend more than a quarter of their income on necessities and non-necessities combined. The other 75 percent of their income may be invested in real estate, income producing housing, agri-business, oil, utilities. For such a family, inflation is far less a "cost" than an income.

All this is by way of suggesting that, contrary to the cliche that "inflation hurts everybody," not everyone is indeed injured by inflation. For some, rising prices mean rising income and rising life style. Inflation is a way to redistribute income—bottoms up.

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Health Care Costs In the Real World

The rationale offered by the Administration for these (Medicare and Medicaid) cuts is that they will control rising health care costs. The idea seems to be that if we simply depress federal payments, health care inflation will go away.

In fact, these proposals will do virtually nothing about costs but set up a complex shell game of cost-shifting in which the elderly and the states are the biggest losers.

The Administration proposals reflect an unsettling lack of understanding of the way our health system works. Their proposals do nothing to address some of the most fundamental problems in Medicare and Medicaid such as the bias toward expensive institutional care, the failure of doctors to limit their fees to Medicare-approved levels, and the built-in inflation which comes with reimbursement that chases costs upward in a never-ending spiral.

The only way to accept the efficacy of these proposals is to close your eyes and make a wish that hospitals and physicians will forego revenue in the public interest and that states will simply absorb the difference in lost Medicaid payments. Unfortunately, neither of these hopes reflects the real world.

—From report by Rep. Claude Pepper (D-Fla.), chairman of the House Select Committee on Aging.

Donahue Gives U.S. Perspective

Encyclical on Workers' Rights Challenges Unions, Employers

The following is excerpted from a presentation by AFL-CIO Sec.-Treas. Thomas R. Donahue at the Apr. 3-5 symposium in Rome on Pope John Paul's recent encyclical, "Laborem Exercens."

THE U.S. LABOR MOVEMENT has long insisted on a written collective bargaining agreement with each employer as the fundamental protection of workers on the job and has always regarded our collective bargaining system as the cornerstone of labor-management relations and, hopefully, as the basis for labor-management cooperation.

We believe in a conflict theory of labor relations as the soundest basis for worker representation, worker participation and worker gains, because we see no real or broad evidence of acceptance by U.S. employers of the concepts of just remuneration, protection of worker interests or of the participation of workers in the ownership, management or profits of the enterprise.

WE ACCEPT fully the view that all capital is the product of past labor, that labor is not a commodity and that nothing has been created in the human realm except through labor. Consequently, we seek a redistribution of the wealth of our nation and an enlarged share in future wealth.

Workers properly want, and are entitled to, a larger share of the wealth they produce. It is our almost universal experience that the employer—individual, corporate or non-profit organization (both secular and religious)—doesn't want to give workers their fair share, and we are therefore in essential conflict over this issue. It is, hopefully, a conflict which always "aims at the good of social justice."

We do not believe that our adversarial role, appropriate to the conflict of collective bargaining, should be limited to the period of negotiation. During the lifetime of a contract so arrived at, it ought to be replaced by a period of cooperation aimed at maximizing the potential of the joint enterprise to advance the company's business and the workers' satisfaction.

FOR THAT REASON and on that premise, many U.S. unions are participating in "labor-management committees" and other cooperative programs, where those programs have their base in collective bargaining. Much attention is now being paid in our country to the question of worker satisfaction on the job and the quantity and quality of his or her work output.

These two subjects have been joined under the title of "quality of worklife" and a great deal of experimentation is now going on, seeking to find new and better ways to give to workers a sense of pride in their work, a sense of their involvement in the production process, and through this sense of involvement, to draw forth from workers a greater personal interest in the quantity and quality of the product of work. All of this effort is to the good and is an implementation of the encyclical's view that through work man achieves fulfillment as a human being and, indeed, in a sense becomes "more a human being."

Unfortunately, in many instances non-union employers are introducing such programs or giving the appearance of real participation to their employees in an effort to dissuade those employees from joining together in a union. For the most part, such programs will fail in the long run, since while they appear to manifest a real concern for worker fulfillment they are, in fact, based on a less admirable desire to maximize profits, and when a conflict between the two eventually arises, as inevitably it will, that conflict will be decided in favor of maximizing profits.

THE ENCYCLICAL has given both comfort and challenge to U.S. unions, to employers, to political and economic analysts and to the Church itself. The condemnation of rigid capitalism and of collectivism presses us toward some middle course as yet insufficiently defined.

The applications which flow from the recognition of the proper position of capital and labor are considerable. They are surely immediately present for the non-profit institution, and particularly the religious non-profit institution, as employer.

If unions are "indispensable," what Catholic institution, as employer, can fail to instruct its employees on the need for them to seek legitimate union affiliation and representation? What Catholic institution, as employer, can fail to initiate legitimate participation in management, based on a collective bargaining agreement, for its employees?

FOR CORPORATIONS or other employers who accept the concepts of the encyclical, the same consequences flow, but only time will tell how many of such employers and corporations will accept.

There is, undoubtedly, a major teaching role ahead for the Church and its institutions, particularly in industrialized nations—an uphill struggle to re-educate those who have too long accepted the view that capital has priority, that capital buys labor, and that without a profit motive there can be no industry.

Budget Key Issue

Coalition Knits Diverse Groups In Opposing Reagan's Policies

ORGANIZATIONAL GROWTH and diversity of interests that have come together in the Budget Coalition are strong evidence of mounting opposition to the Reagan Administration's assault on vital federal programs, Auto Workers Legislative Director Dick Warden said.

Noting that more than 200 national public interest, union, religious, social action and other organizations have responded to the AFL-CIO's call for the coalition, Warden observed that, "the Reagan budget is under attack by more than just liberals and the labor movement." He pointed out that "many of the President's own party" are now refusing to go along with policies that will hurt people and stall economic recovery.

Questioned by reporters on the network radio interview Labor News Conference, Warden said the stalemate that has developed between the Administration and Congress can only be broken by "a genuine compromise," but that kind of movement has not yet started.

"There are virtually no votes up on the Hill right now" for the budget the Administration submitted in January, Warden asserted. "The President and the people around him at the White House—or the Republicans—are going to have to come forward with some kind of alternative budget around which, perhaps, some talks can take place," he said.

Warden, a former assistant secretary of the Dept. of Health & Human Services, said that the coalition's aim simply is not to "return to everything that was done in the past. . . . I don't think the federal program has been enacted that can't be improved." But, "that doesn't mean that all federal programs should be tossed overboard."

TURNING TO the problems of the U.S. automobile industry, Warden urged passage of a strong "domestic content" measure that will require that a certain percentage of the parts and labor for cars sold in large volume in the United States be produced here.

Manufacturers "who have a $12 to $15 billion market in this country, as the Japanese have for their automobiles, should have an obligation to invest some capital and create some jobs where that market is," he declared. He pointed out that most of the industrial countries of the world have stiff domestic content requirements as part of their national laws.

Washington Window

By Press Associates, Inc.

THERE'S A SCENE in the movie "Kiss of Death" where Richard Widmark approaches an elderly woman who is sitting helpless in a wheelchair. Widmark settles a dispute with her son by giving the woman a push, sending her plunging down the stairs.

In a similar rage, the Reagan Administration in effect has been pushing many thousands of severely disabled Americans down the stairs.

One clue to the behavior of the Reagan ideologues appeared in the Heritage Foundation's "Mandate for Leadership," an 1,100-page blueprint for the incoming Reagan Administration.

THE SECTION on the federal disability insurance program claimed there was a 20-percent ineligibility rate in the program. It alleged the Social Security Administration (SSA) kept that secret because it didn't want the public to know it was paying out $3 billion a year to ineligible recipients.

There are 4.5 mllion people receiving Social Security Disability Insurance (SSDI) and Supplemental Security Income (SSI) because they are too disabled to work. SSDI recipients get an average of $413 a month; SSI recipients, $265.

In 1980, Congress asked the SSA to begin a three-year review of all non-permanently disabled recipients, starting in 1982.

THE REAGANITES, eager to get all those "cheaters" off the rolls, started the review nine months early. While some 160,000 disability cases a year were routinely reviewed, the Reagan Administration sent over 300,000 cases to state agencies for review last year and will send out 567,000 this year.

John Harris, who heads the American Federation of Government Employees' national council of SSA Field Operations Locals, said the review project is badly mismanaged. The Administration wants to save hundreds of millions of dollars and "that's the heart of it," he said. The rules are being applied "narrowly, stringently and meanly," he added. People are being treated "like criminals."

The Reagan blitzkrieg against the disabled has left a trail of horror stories. At a congressional hearing in March, Sen. Donald Riegle (D-Mich.) told of one man who killed himself with a shotgun outside a social security office in Lansing last November after finding out his benefits were terminated.

Harris, who works out of Chicago, knew of that case because the AFGE workers in Lansing called him in terror, he said. Harris told of another tragedy in San Diego, where a man whose benefits were ended threw himself in front of a car and was killed.

THE MENTAL HEALTH Law Project, a public interest group, documented a number of cases of arbitrary and harsh treatment of the disabled, including rehospitalization. It quoted staffers of the New York Psychiatric Institute as observing that it costs the government $100 to $500 a day to keep someone in a hospital, "surely an odd way" to save the $15 a day it costs to maintain a disabled person outside. A large number of cases have been documented by the Mental Health Project.

Wilbur J. Cohen, chairman of Save Our Security, the 100-group coalition formed to protect social security, said the coalition is fighting the Administration's "massive assault" against the disabled.

What is needed are congressional hearings around the nation to focus public attention on what the Administration is doing to the disabled. The American people in their compassion would put a stop to it.

MOUNTING OPPOSITION to the Reagan Administration's assault on vital federal programs is seen in the growth of the Budget Coalition and the diversity of interests that have come together in response to a call from the AFL-CIO, Auto Workers Legislative Director Dick Warden, center, said on Labor News Conference. He was questioned by Doug Harbrecht, left, of the Scripps-Howard Newspapers and Jerome Cahill of the New York Daily News. The AFL-CIO produced public affairs interview is aired weekly on the Mutual network.

STRONG ROLE in training and placing disadvantaged and jobless workers will be carried on by the AFL-CIO Human Resources Development Institute in spite of deep cuts in funding by the Reagan Administration, HRDI President Alan Kistler assures the institute's staff at a conference in Bal Harbour, Fla. At left is HRDI Executive Director Mike Arnold.

Job Training, Placement

Recession, Budget Cuts Add to HRDI Burden

Bal Harbour, Fla.—Job training and placement are "key elements" in the AFL-CIO's economic recovery program, Sec.-Treas. Thomas R. Donahue told the staff conference of the Human Resources Development Institute here.

HRDI, the AFL-CIO's employment and training arm, faces bigger responsibilities on a reduced budget in the wake of the Reagan Administration's cuts in funding for jobs programs, Donahue pointed out.

EVEN THOUGH those cuts have meant reductions in HRDI's own staff and programs, the labor movement "must look at the realities we have now . . . and do the best job we can with the resources we have," Donahue said.

"We are never going to have a reviving, growing economy" without "major funding" of employment and training programs as in the past, he told the HRDI staff.

The AFL-CIO places "a high priority on effective employment and training programs" in its alternative proposals for revitalizing the economy, Donahue said.

HE NOTED that the Administration had rejected appeals to restore budget funds to finance national employment and training programs like those of HRDI.

Without those funds, and in the face of more Administration-backed cuts in job-related programs, Donahue emphasized that "the labor movement is going to have to respond to the needs of unemployed people."

HRDI will "carry a heavy burden" to maintain essential programs for the unemployed, laid-off members, the disadvantaged "and all who are faced with barriers to decent jobs," he said.

Donahue called HRDI "the eyes and ears" of the federation, providing feedback from the field to help the development of AFL-CIO policies on employment and training.

THIS RESOURCE is especially important now, he said, "as we begin to participate in the debate on legislation that will replace the Comprehensive Employment & Training Act." The AFL-CIO is asking Congress to include continued funding of HRDI's programs, Donahue noted.

Organization & Field Services Director Alan Kistler, who is president of HRDI, urged the staff "to continue to demonstrate that the AFL-CIO program has practical application in the field."

He praised the staff as "a skilled corps of employment and training technicians" and pointed out that as the needs of the unemployed grow, "we will have to rely even more on this skilled labor group to mobilize all elements of the labor movement and all elements of the community" to solve the problem.

MICHAEL M. ARNOLD, executive director of HRDI, explained plans to restructure the institute's programs to maintain services through its 12 field offices.

He outlined HRDI's plans to target aid to unions in about 12 communities now facing plant closings and major lay-offs. HRDI will help the unions analyze and strengthen their training and re-employment services for workers in these communities, Arnold said.

In its report to the AFL-CIO Executive Council in November, HRDI pointed out that cuts in the federal budget for national employment and training programs resulted in a 37-percent slash in the institute's 1981 Labor Dept. contracts. This forced it to discontinue many of its programs, close nearly half its area offices and sharply reduce its staff, both in Washington and in the field.

DESPITE THESE cuts, HRDI Sec.-Treas. William T. Collins stressed at the meeting that HRDI recognizes "the importance of what we must do in the months ahead" to serve jobless workers. Collins is also AFL-CIO comptroller.

Training, counseling and placement services for laid-off workers were discussed by Melba Meacham of the Illinois AFL-CIO Manpower Assistance Program and Ruth Fedrau of the California Employment Development Dept.

IUE Agrees on New Pact For 22,000 GM Workers

Detroit—The Electrical, Radio & Machine Workers reached early agreement with General Motors on a new contract that holds the line on wages but greatly enhances members' job security.

The agreement, which must be ratified by IUE's 22,000 members at eight GM plants, is "a good, forward-looking contract that faces up to the hard times in our industry, and still protects our members in the present and in the future," IUE-GM Conference Board Chairman Robert Livingston said.

THE IUE-GM negotiating committee, comprising top officers of each of the six locals involved in the bargaining, approved the 30-month settlement unanimously. The agreement closely follows the new national agreement between GM and the Auto Workers.

The new national contract would replace the agreement between IUE and the big automaker that was due to expire this September. Bargaining began early at GM's request because of the firm's acute sales slump.

"The corporation has finally admitted that they need our cooperation as much as we need their jobs," said IUE President David J. Fitzmaurice, who participated in the three weeks of bargaining.

THE AGREEMENT retains the paid holidays in the former contract and maintains the old cost-of-living clause. COL payments, however, would be deferred for three quarters, with full restoration after that period.

The corporation and the union also agreed jointly to develop one of the company's eight IUE plants for a pilot project of guaranteed employment. The firm agreed that none of the eight plants would be closed due to "outsourcing," or farming out of work, during the first 24 months of the contract.

Other provisions call for:

- Guaranteed income for workers with 10 or more years' seniority in plants which are closed permanently and to workers with 15 or more years' seniority in all other cases of layoff. Income would be guaranteed to eligible workers until age 62 or until they retire, whichever is earlier.

- Maintenance of current pension benefit levels, including a scheduled Aug. 1 increase, plus an improved monthly temporary benefit, with early retirement provisions for long-service workers caught in plant closings.

- Maintenance of all health, surgical, medical, drug, dental, vision, hearing, and other benefit programs, plus extension of health-care coverage from 12 to 24 months for workers with at least 10 years' seniority who are laid off.

THE PACT also provides for a profit-sharing plan that would become effective in any year that GM earnings top $1 billion, relocation allowances for eligible laid-off workers, strengthened supplementary unemployment benefits, a "quality-of-worklife" program in every plant, and increased employee discounts on new GM cars and trucks.

GM also assured the union that the economic adjustments made by hourly-paid workers would be applied to earnings of salaried personnel.

Union Approves Stock Swap Plan At Wheeling Steel

Pittsburgh — The Steelworkers overwhelmingly approved a 19-month agreement with the Wheeling-Pittsburgh Steel Corp., that will give employees stock in the company in exchange for wage and benefit concessions.

The pact, which takes the form of an amendment to the firm's current agreement, received 7,875 votes in favor of the plan and 1,210 against.

ABOUT 7,500 active and 3,000 laid-off workers are covered by the agreement. The nation's eighth-ranked steelmaker, Wheeling-Pittsburgh on several previous occasions had asked its employees for concessions from the industrywide pattern steel contract.

Terms of the pact call for workers to forgo scheduled Aug. 1 wage increases averaging 23 cents an hour per employee, give up one week of paid vacation this year and another in 1983, and 13 paid holidays. In addition, Sunday overtime pay rates would be cut to 1.25 times straight-time pay from 1.5 times.

In exchange, Wheeling-Pittsburgh will invest preferred company stock in a trust fund equal to the value of the employees' surrendered wages and other benefits, estimated to average about $3,500 per union worker. The stock will be distributed after Jan. 1, 1985.

THE AGREEMENT also calls for the company to spend at least $1 million to set up labor-management "participation" teams in all its facilities.

The company, which is heavily dependent on the slumping auto and appliance industries, had previously obtained other concessions from its employees, including deferrals of a contract-settlement bonus and a quarterly cost-of-living allowance. The payments have since been made.

AFGE Elects Buckle Executive Vice President

The executive council of the American Federation of Government Employees has named Wayne F. Buckle executive vice president to fill the term of the late Joseph Gleason.

Buckle was the AFGE's chief accountant from 1963 until he retired in 1980 and has been president of the union's members-at-large local.

Poor Found Shortchanged On Subsidy for Heating Bills

The Low-Income Energy Assistance Program, begun in 1980 to help the poor with rising home fuel bills that followed oil decontrol, has fallen far short of its promises, according to a study by the Citizen/Labor Energy Coalition.

The report, titled "The Broken Promise," states that between October 1980 and October 1982, low-income families received nearly $3 billion less, or slightly more than half, the assistance intended under the 1980 Windfall Profits Tax Act.

PHASED OIL decontrol was sold as a way to raise revenue for energy assistance and other worthy projects through a windfall profits tax, the study points out.

"The failure of the windfall profits tax on crude oil to protect the poor should be powerful, ongoing evidence that windfall profits taxes on deregulated natural gas, oil import fees, and other energy-taxing schemes to redistribute money to the poor stand little chance of accomplishing their purpose," the report says.

Under the windfall profits tax formula, 25 percent of the expected revenues were to be allocated to low-income fuel assistance. But fuel assistance funding amounted to less than 15 percent of the revenues collected by the windfall tax in 1981 and 1982, the report states.

IT NOTES that Congress left itself a loophole around the 25 percent funding level by requiring annual congressional appropriations for the fuel assistance program. The Reagan Administration has been attempting to reduce the program's funding even more. The current annual level is $1.85 billion.

The gap between "promise and performance has been devastating for the poor," who must spend more than 20 percent of their incomes on household energy needs, the report says.

"For many poor people," it points out, "the choice is, literally, between heating and eating."

Of the more than seven million households receiving fuel assistance under the program, about 30 percent consist of elderly persons, according to the coalition's study.

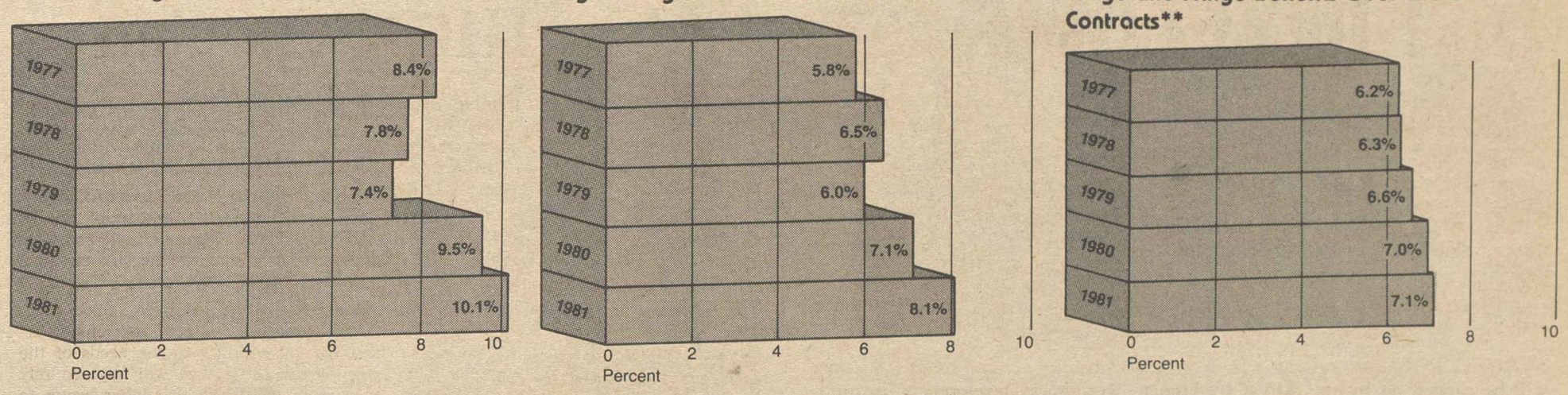
THE STATES whose low-income residents are most dependent on the program are New York, Pennsylvania, Illinois, Michigan and Ohio.

Sen. Edward M. Kennedy (D-Mass.), commenting on the report, criticized proposals for natural gas decontrol and an oil import fee. He said "an import fee is nothing less than an attempt to balance the budget at the expense of those on fixed and limited incomes."

Kennedy added, "We should not be lulled into accepting policies which drive up the cost of home heating and other energy by the empty promises of assistance to those most in need."

William R. Hutton, secretary-treasurer of the Energy Coalition and director of the National Council of Senior Citizens, said, "Oil prices have increased 60-90 percent since decontrol began in 1979, but fuel assistance has not come close to matching the heavier burden these increases have placed on the poor and on senior citizens."

Increases Under Major Agreements (Average Annual Rate of Increase Negotiated)



*Agreements covering 1,000 or more workers.
**Agreements covering 5,000 or more workers.
SOURCE: Bureau of Labor Statistics, Dept. of Labor.

Bargaining Gains Expected Despite Hard Times

Bargaining between unions and employers in the remainder of 1982 will not only be heavy, but it will also be hard, an article in the current American Federationist points out.

This is because a few private-sector employers in certain industries, emboldened by government union-busting tactics and harried—or professing to be harried—by recession, have become more strident in demanding employee "givebacks."

"NEGOTIATIONS in 1982 will be shadowed by the deepening Reagan recession that started in July 1981," observes Stephen Dohrmann, author of the article in the AFL-CIO's monthly publication.

Dohrmann, an economist in the federation's Dept. of Economic Research and the department's 1981-82 research assistant, says that while union members and their bargaining representatives this year may find themselves "swimming upstream in high waters," he expects that 1982 settlements generally will improve on the bargaining gains recorded last year and that unions will continue to pursue new avenues of bargaining on behalf of their members.

Roughly 3.6 million workers are covered by major collective bargaining agreements—defined as those involving 1,000 or more workers—that either expire or reopen in 1982. The number is over a million more than were covered by major settlements negotiated last year.

MOST CONTRACTS in key industries are scheduled to expire in the first six months of 1982. Some major agreements already have been reached, notably in petroleum refining, trucking, and meatpacking. Major agreements in the tiremaking industry expire in April and in the electrical-equipment industry in June and July. In the auto industry, key contracts were slated to expire in September, but early agreements were reached in March with Ford and General Motors.

Although a substantial majority of settlements last year won broad improvements in wages, benefits, and working conditions, Dohrmann observes that the state of the economy and the financial ills of certain firms and industries required that some unions make compromises and concessions to protect their members from crushing job losses. This necessity arose particularly in the auto, airline, meatpacking, and rubber industries.

"UNIONS PROVED, however, that compromise is a two-way street, and they were generally successful at gaining offsetting concessions and enhanced job-security provisions in return," the author notes.

AFL-CIO President Lane Kirkland has pointed out that given the result of some collective bargaining agreements, "one can just imagine what would happen to working people who are subject to the unilateral will and dictate of their employer" without a union to represent them.

Unions did well by their members in 1981, Dohrmann observes. The average negotiated wage increase in the first year of major bargaining agreements was 10.1 percent, compared with 9.5 percent in 1980 and 7.4 percent in 1979. The figures do not include cost-of-living adjustments.

Approximately 6.3 million workers in 1981 received wage boosts averaging 5.3 percent, excluding COL increases, due under previously negotiated contracts. This year, about 4.3 million workers in private industry are scheduled to receive deferred increases averaging 6.3 percent—the highest average since the 7.7 percent recorded in 1971.

About 27 percent of the workers covered by 1981 settlements were protected by COL clauses. Of all workers covered by major contracts, 56 percent have cost-of-living protection. Although COL clauses were high on employer "hit lists" for givebacks in 1981, they were for the most part successfully defended and even improved, Dohrmann notes. About 54,000 workers were covered by 11 settlements in which COL clauses were either introduced for the first time or re-established.

As the Reagan Administration rattled its budget-cutting sword in the direction of the social security system, and inflation was eating away at retirees' fixed incomes, union-negotiated pension plans again became a critical bargaining issue in 1981.

MANY UNIONS secured improved pension formulas and retirement benefits for current, as well as future, retirees—even though the courts have ruled that issues affecting those who have already retired are not mandatory subjects for bargaining.

Other leading trends that developed in collective bargaining last year dealt with medical coverage, worker safety programs, protections against plant closings and anti-union employers, and quality-of-worklife for employees.

Plant-closing protection took the form of negotiated limitations on management prerogatives and strengthened financial assistance for displaced workers. At Armour & Co. for example, the Food & Commercial Workers won management's agreement not to close any plants, departments or divisions during the period up to July 1, 1983.

The Steelworkers' agreements' with four major container companies doubled the supplemental relocation allowances for employees dislocated by plant shutdowns and increased the employer contribution to the supplemental unemployment fund.

THE OPERATING Engineers raised the employer contribution to their SUB fund from 40 to 60 cents an hour per worker in a contract with the Associated General Contractors of New Jersey and other contractors.

In a settlement with the Airline Pilots, United Airlines agreed not to open any non-union subsidiaries—a popular union-busting strategy—and to retain 250 pilots, who would be affected by work-rule changes, on new or expanded routes.

Aware of the need to make their voices heard in the political arena, a growing number of unions are negotiating payroll check-offs for voluntary member contributions to union political funds. The Service Employees, Operating Engineers, Bricklayers, and State, County & Municipal Employees scored impressive gains in this area.

THE DEVELOPING issues of "comparable worth"—paying equal wages to workers in jobs that require similar levels of skill and effort, even if the jobs themselves are different—was tackled by AFSCME Local 101, representing about 2,000 city workers in San Jose, Calif. A successful strike by the union won $1.45 million in pay raises for several hundred women employees who had been paid less than men employed in comparable jobs.

The Communications Workers and the American Telephone & Telegraph Co. adopted a statement of principles on joint efforts to improve the quality of worklife for employees of the Bell System. Legal funds were established by the Paperworkers in an agreement with the Delaware Set-Up Box Manufacturers Association in Philadelphia, and the Oil, Chemical & Atomic Workers achieved company-wide bargaining on life insurance, pensions, and dental benefits with Union Carbide.

HARD-HAT RALLY organized by the Massachusetts AFL-CIO and the Boston Building Trades Council drew nearly 3,000 demonstrators to protest an appearance by Sen. Orrin Hatch (R-Utah) at a luncheon meeting of the non-union Associated Building Contractors in Boston. Hatch, a key figure in blocking passage of the labor law reform bill, used his speech to renew his attack on unions. At the microphone is State AFL-CIO President Arthur R. Osborn with Sec.-Treas. George E. Carpenter, Jr.

Kirkland Names Ernest Lee Director of Meany Archives

AFL-CIO President Lane Kirkland has announced the appointment of Ernest S. Lee as executive director of the George Meany Archives, a permanent library and reference center established by the federation in memory of the AFL-CIO's first president.

Lee, who has been director of the AFL-CIO Dept. of International Affairs since July 1, 1974, will be in charge of collecting and preparing for exhibit and reference use the vast store of memorabilia and archival material relating to Meany's long career and other records of the AFL-CIO going back to its founding in 1881.

LEE WILL develop programs and exhibits based on this material to advance a broader understanding of labor's role in the nation and the world.

The Meany materials, now largely housed at AFL-CIO headquarters, will be transferred to a new library and reference facility to be built at the George Meany Center for Labor Studies in Silver Spring, Md.

Meany was elected president of the AFL on the death of William Green in 1952. He was elected president of the AFL-CIO at its founding convention in 1955 and was re-elected at each subsequent convention until he retired in 1979. He died on Jan. 10, 1980.

LEE JOINED the AFL-CIO staff in 1962 as executive assistant to the international affairs director. He served as assistant director of the department from 1964 until his appointment as director in 1974.

Born in the Dominican Republic on Apr. 12, 1923, Lee served 11 years on active duty with the U.S. Marine Corps. He graduated from the Georgetown University School of Foreign Service in 1955. Before joining the AFL-CIO staff, he was director of international affairs for the Retail Clerks (now the Food & Commercial Workers) and served as inter-American representative of the International Federation of Commercial, Clerical & Technical Employees (FIET).

'Business as Usual'

Kirkland Assails Retreat On Economic Sanctions

(Continued from Page 1)

structive relations." And "the world would become a kinder place to live in."

But if fear of losing trade or profits deters the United States from exerting its influence, it is the forces of repression that have won a victory, Kirkland protested.

LECH WALESA remains a captive, Kirkland reminded his listeners. "Solidarity members languish in concentration camps," and workers are beaten and jailed.

Throughout the world, not just in Poland, the United States must align itself with the cause of freedom, Kirkland asserted.

"Our programs should openly and proudly support and foster free institutions of working people, such as the black trade unions in South Africa, and the democratic movements of rural and urban workers in Central and Latin America and Asia.

"Our policies and pressures, economic and diplomatic, should aim to get tyrants —tinhorn or totalitarian—off the backs of independent associations of working people," he said.

"NO GOVERNMENT which kills, imprisons or exiles free trade unionists should receive our aid or patronage."

Kirkland expressed dismay that the International Labor Organization's Convention No. 87, which affirms the right of freedom of association, has never been ratified by the United States because of "the stubborn and blind opposition of American business as represented by the U.S. Chamber of Commerce."

Failure to ratify is a "long-standing piece of stupidity" that should be rectified, Kirkland urged. He reminded the gathering that Solidarity's first demand, incorporated in the Gdansk Agreement of 1980, was that the Polish government fulfill the commitment it undertook when it ratified the convention.

Perhaps business can't be faulted for looking to its profits in the absence of a clear national commitment to higher values, Kirkland suggested. But "I would not want a world where business is the judge, agent and enforcer of our values and interests."

HE CITED "oil companies, glutted with tax privileges from the American Treasury" that, through runaway registry of shipping, "pledge allegiance to the flag of Liberia and the venality for which it stands, with license and profit for some."

For too many corporations, Kirkland said, "no shriek of pain from the dungeon, not even a businessman's arrest by secret police . . . stays their service of tyrants or outweighs a ruble in their scale of values."

A foreign policy shaped by such standards flouts American ideals, Kirkland protested.

SPECIAL INVITATION to the 1982 Union-Industries Show is extended to Federation President Lane Kirkland by John E. Mara, secretary-treasurer of the Union Label & Service Trades Dept., which produces the free public exhibition. The show, with more than 400 exhibits by unions and employers, runs May 14-19 at the Pittsburgh Convention Center.

'Radio Solidarity' Beams Call for Polish Resistance

(Continued from Page 1)

"But absent from the table are miners who were killed. Prisons still hold more than 4,000 people. It is not true that internment is better than ordinary jail. We are getting more and more reports of beatings in internment camps. Let us recall these events when we are told that life is returning to normal.

"THERE CANNOT be normalization in the country when people are being beaten or the innocent jailed, when human rights are being trampled on. To accept this as normal is to be a renegade to your conscience."

Nothing that Apr. 13 marked the start of the fifth month of martial law under the Jaruzelski regime, an announcer asked listeners to turn off their lights on that date between 9 and 9:15 p.m. as a show of solidarity and in remembrance of the social renewal that had begun in Poland with the birth of free trade unions in 1980.

MEANWHILE, a prominent leader of the Solidarity trade union federation who has avoided capture warned that Poland's communist rulers may be planning to ban the labor organization altogether.

Zbigniew Bujak, who headed Solidarity's Warsaw branch, pointed to the recent dissolution of the Polish Journalists' Association—a supporter of Solidarity —and attacks on Solidarity in the controlled Polish press as signs of a government campaign to outlaw the independent union and possibly restore a party-controlled union in its place.

John Darnton of the New York Times reported in an Apr. 10 dispatch from Warsaw that Bujak's comments were contained in a statement given to Western journalists. Bujak called on Solidarity members to "fight without any compromise for our union," and he appealed to unions abroad to give their support "with all available means," Darnton reported.

New Cuts in Reagan Budget Scored as Attack on Elderly

President Reagan's budget proposals would force a new round of cutbacks in Medicare and Medicaid benefits, with "tragic consequences for the nation's elderly," the chairman of the House Select Committee on Aging charged.

A report by Committee Chairman Claude Pepper (D-Fla.) said the proposed reductions would be as "devastating" to older Americans as the social security benefit slashes the Administration sought to impose last year.

THE ADMINISTRATION backed off from its social security plan "because of the outraged reaction of the American public," he noted. Pepper said he intended his report to help members of Congress judge the "very substantial impact" of the Administration budget request.

Under the President's budget, Medicare would be cut $2.5 billion below the level needed to maintain current benefits. And Medicaid, which pays the health care costs of the poor, would be cut $2 billion in terms of current services and $1 billion in actual outlays.

Funding of the two programs for the current fiscal year has already been cut a total of $2.4 billion, compelling the elderly to pay more in out-of-pocket medical expenses. Although Medicaid is not a program for the elderly, it supplements Medicare coverage for some 3.5 million elderly poor.

PEPPER NOTED that even without the new cuts sought by the President, Medicare now pays only about 44 percent of the health costs of older Americans.

After allowance for inflation, he said, "the elderly now spend more out-of-pocket and as a proportion of income than they did before Medicare and Medicaid began."

Last year's cutbacks resulted in higher patient-paid deductibles for both hospital stays and doctor services, Pepper noted. And the new budget proposals would require further increases in "co-payments."

CUTS IN welfare-related programs will deprive many low-income elderly of Medicaid entitlement, the report showed. And "state cutbacks resulting from reduced federal payments will jeopardize Medicaid coverage for 905,000 elderly persons in nursing homes, 223,000 who receive dental services and 2.1 million who need life-sustaining prescription drugs and who have nowhere else to turn for this care," the report said.

Pepper challenged the Administration's contention that the cuts it recommends will help control rising health care costs.

"The idea seems to be that if we simply depress federal payments, health care inflation will go away. In fact," Pepper stressed, "these proposals will do virtually nothing about costs but set up a complex game of cost-shifting in which the elderly and the states are the biggest losers."

With slashes in a broad range of federal grants squeezing state resources, it is unrealistic to rely on states increasing Medicaid spending to make up for cuts in the federal share of the program, Pepper suggested.

AS FOR the Administration's assumption that higher deductibles will persuade elderly and disabled Americans to "use more discretion in their use of health services," Pepper noted that the choice is seldom with the patient.

"Patients do not admit themselves to hospitals; physicians do," he said. "Patients do not order lab tests or X-Rays; physicians do."

He charged that "these new proposed cuts in health care programs represent the most significant assault on the equality of life and economic well-being of the elderly since the Administration's disastrous plan to slash social security benefits."

'Stay Away from My Door!'

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4/17/82

Kirkland Asks Immigration Reforms

Compassion Coupled to Job Concerns

By Susan Dunlop

AFL-CIO President Lane Kirkland called for speedy passage of an immigration bill that combines compassion for immigrants with safeguards for the jobs and labor standards of American workers.

At joint hearings of the House and Senate immigration subcommittees, Kirkland said the proposed Immigration Reform & Control Act is in line with the goals of the AFL-CIO. "With some modifications" it would set an "appropriate" immigration policy for the nation, he said.

THE BILL is sponsored by Sen. Alan Simpson (R-Wyo.) and Rep. Romano Mazzoli (D-Ky.) and incorporates many of the recommendations of the Select Commission on Immigration and Refugee Policy.

Among its major provisions, the legislation would modify current law to impose penalties on employers who hire illegal aliens backed by a plan to issue a secure employment eligibility card for all workers.

The status of many illegal resident aliens would be legalized and current legal immigration ceilings would be revised. The measure would streamline the procedure for judging immigration cases and clarify provisions for granting asylum to refugees.

"GUEST WORKER" programs would be barred and existing programs permitting certain workers to enter the country temporarily would be revised.

The AFL-CIO has historically supported an immigration policy "consistent with the nation's tradition for compassion and humane treatment," Kirkland told the committees. He stressed that such policy should be "firm, clear, consistent and fair," promote reunification of families and offer "a haven for refugees from persecution" while maintaining concern for U.S. workers and their jobs.

Stopping the flow of illegal immigrants is a "necessary prerequisite" to reform of immigration policies, Kirkland emphasized. That flow, he said, should be replaced by "a fair, enforceable program of legal immigration."

High unemployment reduces the country's capacity to "pursue our immigration goals" and increases the need to stem illegal immigration, Kirkland pointed out.

"THE QUICKEST and best way to stop illegal immigration is to stop giving jobs to illegal immigrants. Therefore, federal law must provide strong, effective penalties for employers who hire illegal aliens," Kirkland said.

"The lure of jobs" brings most illegal workers into the country, he observed.

(Continued on Page 3)

AFL-CIO News

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Budget for City Family Climbs 9.8% Over Year

U.S. IMMIGRATION POLICY should be compassionate and humane in dealing with illegal immigrants while safeguarding the jobs and labor standards of American workers, AFL-CIO President Lane Kirkland testified at congressional hearings. He was accompanied by Legislative Director Ray Denison, right, and Research Director Rudy Oswald.

$25,407 Cost Of Moderate Living Level

By James M. Shevis

A typical American family needed $25,407 last year just to maintain a middle-income standard of living, a 9.8 percent increase over 12 months earlier, the Bureau of Labor Statistics reported.

At a lower, more austere level, the same family would have required $15,323 a year while a family on a higher budget affording a few simple luxuries would have needed $38,060, up 9.1 and 10.6 percent, respectively.

THE FIGURES are derived from BLS's annual compilation of hypothetical expenses of an urban family of four at three different living standards as of last autumn. The amounts are nationwide averages, and represent before-tax income.

BLS said that the increases in 1981 were approximately 3 percentage points less than those recorded from 1979 to 1980. The biggest categorical increases last year were in social security and income taxes.

The budgets are prepared by updating changes in prices of various goods and services for a precisely defined family at each of three budget levels. BLS applies the changes as reported in the consumer price index for urban wage earners and clerical workers (CPI-W).

THE BUDGETS have been updated since 1969 but will no longer be published. BLS is eliminating the series as part of the Reagan budget reduction.

"The expenditure data on which the budgets are based are now 20 years old,"

(Continued on Page 7)

Repair Safety Net

Unions Press Congress To Extend Jobless Aid

The AFL-CIO and its affiliates urged an additional 13 weeks of unemployment benefits for recession victims and pressed Congress to reject new slashes in safety-net programs.

A House Ways & Means subcommittee is considering President Reagan's budget proposals for further cuts in various entitlement programs, including family assistance and social services for the needy as well as unemployment insurance. But labor witnesses insisted that the real need is to repair some of the damage Congress inflicted last year at the Administration's urging.

AFL-CIO SOCIAL Security Director Bert Seidman warned that some 3 million unemployed workers will have their benefits curtailed in the coming fiscal year if the "ill-considered" actions taken by Congress aren't rectified.

He noted that Congress had abolished the national trigger for extended benefits and raised the state trigger points just as the unemployment rate was starting its climb to the highest level since the Great Depression.

During this same period, Seidman reminded the panel, 750,000 needy families with dependent children have had their AFDC benefits reduced or terminated. The further cuts proposed by the Reagan Administration would hit an additional 921,000 AFDC families, he protested.

SEIDMAN AND other labor witnesses endorsed a bill by Subcommittee Chairman Harold E. Ford (D-Tenn.) that would allow up to 13 weeks of supplemental benefits for workers still unemployed after having used up their maximum 26 weeks of state payments and 13 weeks of extended unemployment benefits.

Even that would be less than the 65-week maximum benefit pernod allowed in the less severe 1975 recession, Seidman noted.

(Continued on Page 3)

Steep First Quarter Decline Worsens Reagan Recession

A steep, 3.9-percent annual rate of decline in "real" gross national product during the first three months of the year, along with other adverse economic developments, is further confirmation of the sick and deteriorating state of the nation's economy, the AFL-CIO declared.

The drop in first-quarter real GNP—the market value of all the nation sells and produces adjusted to remove the effects of inflation—was nearly as great as the 4.5 percent rate of decline in the final three months of 1981, and underscored the depth and breadth of the Reagan Recession that most economists believe started last July.

THE LATEST bad economic news came from the Commerce Dept., which attributed much of the slide in GNP to troubles in the auto industry.

Earlier, the Federal Reserve Board reported that the nation's industrial output fell eight-tenths of 1 percent in March, indicating that the recession is not over yet. It was the seventh decline in the output of the nation's factories, utilities, and mines in the past eight months.

"As a result of the Reagan Administration's economic programs, homes were not built that could have been built, cars were not assembled, and steel not produced," AFL-CIO Research Director Rudy Oswald observed.

"Public tax, budget, and job policies must be directed to put people back to work producing the goods and services that America is capable of producing and that America needs. The AFL-CIO alternative tax and budget proposal would get

(Continued on Page 2)

Goodrich Pact Shapes Pattern In Tire Industry

Columbus, Ohio—The Rubber Workers reached tentative agreement on a new three-year contract with the B. F. Goodrich Co., that will serve as the pattern for talks with three other major tire makers.

The economic package, designed to keep pace with inflation, was unanimously approved by the URW's 15-member advisory committee at an Apr. 19 meeting here. In a joint announcement, URW President Milan Stone and Goodrich Vice President Jack W. Johnson stressed that the settlement was reached "without concessions" from the union.

The agreement preserves the existing cost-of-living formula of one cent an hour

(Continued on Page 2)

Economic Index Sends 'Dead-in-the-Water' Signal

(Continued from Page 1)

American production moving again."

Because of the recession impact and the loss of millions of jobs, inflation as measured by what the Commerce Dept. calls the "GNP implicit price deflator" fell to an annual rate of 3.6 percent in the January-March quarter, down from 9.5 percent in the previous three months. The first-quarter inflation figure was the lowest for the deflator since a similar increase in the first quarter of 1976. Sharply lower gasoline prices played a big part in the decline.

SHORTLY before the Fed released its industrial production report, Treasury Sec. Donald T. Regan told a national television audience that the economy was "dead in the water. . . . High interest rates have brought this economy to its knees."

Regan, who just over two months before had declared the economy would come "roaring back in late spring," acknowledged that the recovery would not start until summer, and not even then if interest rates do not decline.

TWO OTHER business barometers reflected the deterioration in the nation's economy. Retail sales declined five-tenths of 1 percent in March, and Commerce Dept. officials predicted that such trade probably will remain sluggish through June. And the Federal Reserve Board reported that the nation's factories operated at a seasonally adjusted 71.4 percent of capacity in March, down from 72 percent in February.

In its report on real GNP, the government indicated that most of the first-quarter drop was due to the fact that businesses were no longer pushing to produce goods that had only been ending up in inventory stockpiles. Inventories decreased sharply in the first three months of 1982 after continuing to rise earlier in the recession.

Inflation-adjusted final sales actually increased 1.9 percent in the first quarter after declining 1.8 percent in the fourth quarter of 1981. Economists say that businesses' recent success in whittling down stocks of unsold goods may have set the stage for production increases and a general recovery from the recession. But few are predicting much economic growth before summer.

REAL GNP declined at an annual rate of 1.6 percent in the second quarter of last year, rose at a rate of 1.4 percent in the third, and resumed its slide in the final quarter.

The only bright spots in the industrial production report concerned auto and defense industries. Autos were assembled at a seasonally adjusted annual rate of 4.7 million units in March, up from 4.1 million units in February and a 20-year low of 3.6 million units in January.

The Administration's higher priority to military spending resulted in a seasonally adjusted seven-tenths of 1 percent rise in defense and space production in March following an adjusted 2.4 percent rise in February.

Business equipment output fell an adjusted 1.2 percent in March while consumer goods production declined three-tenths of 1 percent, and the output of materials dropped 1.1 percent.

B.F. Goodrich Contract Sets URW Pattern

(Continued from Page 1)

increase for every .26 point rise in the national consumer price index, but does not provide general wage increases. "Because of the high yield of the COLA, the union and the company agreed to forgo any additional wage increase," Stone and Johnson said in their statement.

Based on an anticipated 7 percent increase annually in the CPI, the COLA formula would yield about $2.44 an hour in wage increases over the next three years. The agreement also includes improvements in pension contributions, disability pay, and life insurance. In addition, the pact provides for a .02 cent per employee company contribution to a fund for medical surveillance activities aimed at the early detection of job-related illness.

A PROVISION dealing with plant closures increases the duration of life insurance coverage for laid-off workers from 24 to 30 months, and extends the period of group health insurance rates for displaced employees from 24 to 30 months. The parties also agreed to procedures designed to improve communications when it comes to plant closings.

The agreement covering some 8,500 URW workers employed by Goodrich now goes back to the bargaining table for work on non-economic issues and then to the rank and file for ratification.

Stone expressed confidence that the nation's three other big tire makers would agree to similar terms. He predicted ratification of master agreements at all four companies in two or three weeks.

BESIDES Goodrich, the Big Four tire makers include Goodyear Tire & Rubber Co., Firestone Tire & Rubber Co., and Uniroyal Inc. Uniroyal has agreed to go along with the industrywide agreement, minus certain cuts in wages and benefits the union made because of the company's financial difficulties.

Contracts covering about 42,000 tire workers with the four companies were to expire Apr. 21.

Food Workers Report Net Growth of 63,767

Miami—The Food & Commercial Workers announced a net gain of 63,767 new members during 1981 in the face of the deepening recession.

UFCW President William H. Wynn announced the gains at the winter meeting of the union's executive board here.

Wynn said it took "an absolutely monumental organizing effort" to achieve the gains as store and plant closings and other job losses cost 35,000 members their jobs.

The UFCW gained 20,500 with the merger of the United Retail Workers in Chicago. It gained 12,000 members in 257 labor board elections and another 17,500 through card checks.

'R-T-W' Proves Also-Ran In Kentucky Legislature

Frankfort, Ky.—It wasn't even a horse race in the Kentucky legislature where supporters of so-called right-to-work bills finished dead last in attempts to hobble the state with a compulsory open shop law.

Measures introduced in both the House and Senate could not round up enough support to be reported out of committees, and a back-door attempt to add a "right-to-work" amendment to a bill prohibiting age discrimination in employment also failed for lack of support. The legislature adjourned Apr. 15.

Kentucky AFL-CIO Sec.-Treas. Leonard S. Smith credited the state's union members with the victory.

"We asked our members to let their representatives know how they felt about so-called right-to-work and they sent over 30,000 messages within three weeks," Smith said.

"We will certainly try to bury this issue for good by supporting our friends in the legislature on election day, and by keeping our members informed in every way possible," he stressed.

Tuition Tax Credits Opposed In Wake of Public School Cuts

President Reagan's proposal to give an income tax credit to parents sending children to private schools would weaken public education and widen the budget deficit, the AFL-CIO and the Teachers charged.

The tuition tax loophole proposed by Reagan would cost the government about $100 million in the next fiscal year and mount to an estimated $4.6 billion in lost revenues over five years.

AN AFL-CIO statement contrasted the President's tax credit plan with the Administration's continuing attempt "to squeeze every penny out of essential educational programs, including school lunches for needy children."

In a recording for radio news programs, AFL-CIO Assistant Research Director Arnold Cantor said the Reagan proposal would add new inequities to the tax structure to benefit private schools and affluent families.

It would divert "scarce dollars from critically needed programs" such as those "helping children with special learning problems and requirements," he said.

Teachers President Albert Shanker said his union will fight tuition tax credit legislation "tooth and nail."

TAX CREDITS for private school tuition can't be justified under any circumstances, Shanker said, "but there has never been a worse time than now to consider such a program."

"How can our federal government even think of spending billions of dollars on a tuition tax credit scheme when programs serving children with the greatest economic and educational needs are being slashed?" he asked.

Reagan, in a Chicago speech to a conference of Catholic educators, said the Administration plan would give up to $500 a year credit against income tax to families with income up to $50,000, with a cutoff at the $75,000 income level. He indicated the Administration would support credits for private college tuition as well as elementary and secondary schools when the budget outlook allowed.

"I look forward to a day when we can expand this bill," the President said.

Reagan insisted that the nation's public school system would be strengthend, not weakened, by "alternatives to public education."

Auto Workers Negotiate New AMC Accord

Milwaukee—The Auto Workers reached a tentative agreement with American Motors Corp. on a new three-year contract to temporarily defer wage increases to help out the financially ailing firm.

Under an "employee investment plan" that is the heart of the agreement, the union's 14,000 AMC members would forgo six quarterly cost-of-living increases and 3-percent annual increases through 1985 as well as a number of paid personal holidays. The company would invest the savings—expected to total $115 million—to finance new product developments.

UAW Sec.-Treas. Raymond Majerus said the agreement guarantees workers their donations would be refunded by 1985 with 10-percent interest. The payback would go into effect whether the company was making a profit or not.

The agreement, which workers must ratify by May 3 at AMC plans in Milwaukee, Kenosha, and Toledo, Ohio, shows that UAW members "are willing to enter into a partnership with the company," Majerus said.

The pact follows earlier concession contracts the union negotiated with Ford Motor Co. and General Motors Corp., the country's two largest auto makers.

The AMC agreement includes company assurances of equality of sacrifice by salaried employees and executives. It allows the union to reopen the contract if there should be a substantial rise in sales.

Oil Import Surtax Scored As Burden on Workers

The AFL-CIO remains firmly opposed to an oil import tax, Legislative Director Ray Denison said in a letter to all members of Congress.

Denison charged that such a tax, which is one of the proposals being considered in congressional budget deliberations, would be "unfair, inflationary and job destructive."

HE CITED AN analysis by the staff of the House Energy & Commerce Committee that a $5 a barrel import fee would add more than 1 percent to the inflation rate, and as much as 12 cents a gallon to the price of gasoline and heating oil. The study estimated that the cost to consumers could reach $30 billion a year.

That burden will fall heaviest on America's workers, Denison protested, with gasoline costs alone rising $100 a year for a typical family. "For workers such as building tradesmen, who commonly commute long distances and travel between work sites, the costs would be much higher," he said.

The revenue increase from an oil import fee would be "quickly dissipated by the added energy costs the government will have to bear," Denison said, and by added outlays resulting from increased inflation, higher unemployment and reduced output.

"Thus, imposition of an oil import fee to help meet the budgetary mess caused by last year's tax giveaways to the wealthiest in our society will only add to the energy costs of American families already hard-pressed by inflation and soaring unemployment."

DENISON NOTED the AFL-CIO had opposed a similar oil import tax in the Carter Administration and labor's position on the issue is long-standing and nonpartisan.

Congress can raise billions of dollars in added revenues without an oil import tax, Denison stressed, through "correcting inequities in last year's tax legislation and closing loopholes."

That's what should be done, he urged. "The American consumer cannot afford nor should be asked to foot the bill for another round of windfall oil profits and tax injustice."

Comparison with Safeguards

Immigration Bill Seeks To Stem Illegal Flow

(Continued from Page 1)

Often "unscrupulous employers prey upon these illegal immigrants and force them to work at low wages under substandard working and living conditions in an atmosphere of fear and exploitation."

Stiff sanctions against employers, including civil and criminal penalties, are the most important deterrent to illegal immigration, Kirkland said.

He told the committee the AFL-CIO did not come to that conclusion "out of a desire to find excuses to impose employer sanctions," but only after unsuccessful attempts in cooperation with labor-management groups to find a better solution.

SANCTIONS MUST be backed by a secure, forgery-proof worker eligibility verification system, Kirkland said, stressing that the federation opposes any "work permit" such as used in Europe.

He urged that the bill contain strong safeguards so no one eligible under the law could be denied documentation, and no documentation could be revoked once it had been lawfully issued.

Funding and staffing of the Immigration & Naturalization Service should be increased so the agency can control the borders and enforce immigration laws internally, Kirkland said.

KIRKLAND PRAISED the Simpson-Mazzoli bill for its rejection of so-called bracero or guest worker programs "which would permit importation of foreign labor to undercut U.S. wages and working conditions."

By contrast, the Reagan Administration has proposed admission of up to 50,000 workers a year from Mexico during a two-year trial guest worker program.

In his testimony, Kirkland also urged that the so-called H-2 program allowing temporary workers into the country be phased out. He voiced strong objections to provisions of the bill that would allow different treatment of temporary farm workers than those performing other jobs, and he scored a section that would let agricultural employers join together to seek certification of temporary workers.

"EMPLOYER CARTELS" would result, Kirkland warned, that would dominate local labor markets "through hiring and firing and intimidation and blackballing of workers."

The AFL-CIO supports the legalization of status for illegal aliens now in the country, he said, including the bill's provisions that immediate permanent resident status be given to long-time residents with demonstrated ties to the community.

He expressed serious concern, however, about starting the legalization process until the flow of illegal immigration is halted.

Kirkland opposed a "two-tiered" legalization plan that would give only temporary legal status to people who entered the country between 1978 and 1980 and asked for immediate permanent resident status for aliens "with continuous residence in the United States prior to Jan. 1, 1980."

ENFORCEMENT OF the nation's immigration laws must be "color-blind," Kirkland stressed, adding that differential treatment of refugees seeking asylum, such as those from Haiti, should be rejected as "an affront to human dignity."

The AFL-CIO president commended the bill for continuing the responsibility for certification of alien workers under the jurisdiction of the Secretary of Labor.

In response to questions from the panel, Kirkland noted that the "sensitivity" of American workers to the problem of illegal immigration was growing in proportion to the increase in unemployment and continued economic stagnation.

"The most vulnerable workers of all," he said, "are women and minorities and others who are already on the margin of job security and job opportunities, and who are also the most concerned about the further disadvantages they are placed under because of unchecked illegal immigration."

POLICE FIRE PEPPER GAS at picketing Machinists at Brown & Sharpe Manfacturing Co.'s North Kingstown, R.I., plant. The police action took place when the workers engaged in a sitdown protest. The strike is in its seventh month.

Judge Backs Union Pickets In Brown & Sharpe Dispute

Providence, R.I.—Striking Machinists welcomed a state Superior Court ruling denying Brown & Sharpe Manufacturing Co.'s request for an injunction against mass union picketing, but deplored the most recent instance of picket line confrontation.

Three weeks after police sprayed some 800 IAM pickets with pepper gas during a sitdown protest at the company's North Kingstown plant, a union picket was shot.

MACHINISTS Vice President Sal Iaccio in New York said that the man was not seriously injured because the bullet hit him on his belt bukle. Iaccio said that police filed charges against the assailant, whom he described as a "scab."

Earlier, Superior Court Judge James M. Shannahan turned down the firm's request for a court order against the picketing, saying that "there is no evidence, even stretching inferences . . . of any participation or ratification of illegal acts by any of the defendants . . . on any occasion."

Raul L. Lovett, the union's lawyer, called the ruling a mandate to the company "to stop using the courts as an excuse . . . and return to the bargaining table."

The union is seeking a contract renewal from the company, which produces precision industrial instruments at two Rhode Island plants, in North Kingstown and in North Providence. Iaccio says the firm's intransigence on bargaining issues leads him to believe that "they're out to break the union. There's no question of that."

Iaccio said that the Mar. 22 picketing was "a peaceful assemblage" of IAM members, and that "what happened at Brown & Sharpe is a reflection of the economy and the present labor climate that exists in this country today."

The workers struck Brown & Sharpe 27 weeks ago. IAM District 64 represents the strikers.

Gov. J. Joseph Garrahy has criticized the gassing of IAM pickets saying that it "should not have been used." The governor is empowered to appoint a fact-finding panel to investigate issues in the strike, but has not yet exercised this authority.

United Way Honors Williams, Murphy

Miami Beach—The United Way of America has honored two AFL-CIO central body presidents with outstanding records of service to their communities.

Co-recipients of the Joseph A. Beirne Community Services Award are Marvin L. Williams, president of the Washington State AFL-CIO, and Valentine P. Murphy, president of the Greater Boston Labor Council.

Williams, a United Way volunteer since 1957 and a past president of Spokane's Family Counseling Service, is the first union official chosen president of the state United Way organization. Murphy helped establish the United Fund of Greater Boston in 1957 and was a founder of the Medical Foundation, a community health education agency.

The award is named for the late president of the Communications Workers, who served for many years as chairman of the AFL-CIO's Community Services Committee. It was presented during the United Way's annual conference here.

ILA's Ban on Soviet Cargo Ruled a 'Secondary Boycott'

The Supreme Court ruled that the Longshoremen violated the secondary boycott prohibition of the Taft-Hartley Act when the union protested the Soviet invasion of Afghanistan by refusing to handle cargo to or from the USSR.

Its unanimous decision reinstated a damage suit against the union that had been filed by a Massachusetts firm that imported Russian wood products, and leaves the union open to other lawsuits.

THE ILA CONTENDED that the invasion by the Soviet Union was "an affront to the conscience of the entire world" and the boycott of Soviet shipping reflected the "repugnance" of ILA members.

A federal district court had dismissed the suit, holding that the boycott was a political act not related to federal labor law. But the 1st U.S. Circuit Court of Appeals ruled against the union's position and the Supreme Court concurred.

Justice Lewis F. Powell's decision acknowledged that the union's objective was "understandable and even commendable." But it said the effect was to burden "neutral employers," which the ban on secondary boycotts was intended to prevent.

IN A BRIEF supporting the ILA's position, the AFL-CIO had noted that in previous decisions the Supreme Court had refused to allow U.S. unions to picket "runaway-flag" ships registered in foreign countries to avoid U.S. wages and benefits. At this time, the AFL-CIO noted, the court held that Congress didn't intend the National Labor Relations Act to reach into areas involving international trade and foreign relations.

But the Supreme Court held that the governing issue in the ILA boycott was the impact on "neutral" parties, in this case "an American stevedore which had contracted to service an American ship carrying goods of an American importer."

The Supreme Court has not yet acted on a separate case involving the ILA boycott in which the issue is whether such boycotts can be blocked by a federal court injunction.

Labor Asks Jobless Benefit Extension

(Continued from Page 1)

The union witnesses also urged enactment of other bills before the subcommittee to restore the national unemployment rate trigger for extended benefits and to nullify other regressive changes made last year.

- Steelworkers Legislative Rep. John Powderly presented a statement by USWA President Lloyd McBride noting that employment in the steel industry is already well below depression levels. Supplemental unemployment compensation funds have been exhausted at many plants, the union reported.

McBride cited the Secretary of the Treasury's recent comment that the economy is "dead in the water" and suggested that the question before Congress now "is whether unemployed workers will be allowed to sink."

- Auto Workers Research Director Sheldon Friedman warned that community problems rise as workers are dropped from unemployment rolls, and the resultant loss of buying power worsens the recession.

Friedman noted that one of the Reagan Administration's new budget proposals would require states to round down an individual's weekly unemployment benefit check to the next lower dollar. "The sheer pettiness and miserliness of this proposal clearly reveals the Administration's attitude toward the unemployed," he said.

- Albert P. Russo, coordinator of social services programs for the State, County & Municipal Employees, charged that cuts in family assistance have pushed up the recession's "already high human misery index."

NOTING THAT contradictory impact of the various Administration proposals, Russo told the subcommittee:

"The proposal to make workfare mandatory for employable AFDC recipients as a substitute for the Work Incentive Program which would be abolished is plain and simply irrational. We can see no logic to replacing a program that helps welfare recipients find private sector work, and which provides child care services to 100,000 children, with one that just makes recipients work off their benefits."

Seidman, testifying for the AFL-CIO, also scored the retreat by the Administration in social services for the needy.

Last year, he noted, Congress went along with a "brutal reduction of funding and elimination of responsibility for providing life-sustaining services to the aged, blind, disabled and young children under Title XX of the Social Security Act."

CONGRESS TURNED over a major portion of these programs to the states and cut federal funding nearly 25 percent, Seidman noted. Now, "with a monstrous display of insensitivity," the Administration is proposing an additional 12 percent cut in funds.

He urged the subcommittee "to reject these unconscionable attacks on the nation's poor and unemployed. These people and their children can afford no further sacrifice," he insisted.

Invitation to Disaster

IT IS ENTIRELY understandable that congressional Republicans would like to shed the heavy political burden of the failure of Reaganomics.

Thus, they have invited their Democratic colleagues to join in sponsoring a "compromise" budget that would project a substantially lower deficit than the version submitted by the President.

There are, of course, many ways to lower the deficit—including the very comprehensive economic program advanced by the AFL-CIO Executive Council. But the GOP negotiators on Capitol Hill have taken the position that the final version must be "acceptable" to the President, not to be seen as a repudiation of his voodoo economics.

The Republican script envisions only a limited rollback of scheduled tax cuts. To bring the deficit down to a politically acceptable figure, it contemplates further deep cuts in many federal programs—deeper even than President Reagan proposed, and including cuts in social security entitlements that the President vowed would not take place.

BUT IF THE DEMOCRATS somehow could be persuaded to embrace these destructive measures, who could blame "a nice guy" like the President or the members of Congress who rubber-stamped his program last year?

It's a great script for the GOP. But not for the country. And certainly not for Democrats who will be facing the voters in November.

Alternative to Unemployment

INTEREST RATES, one of the most flammable components of inflation, can be brought down if the President and the Federal Reserve Board choose to use powers Congress has granted them to regulate the flow of credit.

Restricting credit for non-productive purposes would make funds available at more reasonable interest rates for job-producing, economically useful investments. That's the course the AFL-CIO has repeatedly urged as an alternative to the Reagan Administration's theory that a heavy dose of unemployment is the surest cure for inflation.

But unless the credit control law is extended past its June 30 expiration date, that remedy will no longer be available.

The chairman of the House Banking Committee, Fernand J. St Germain (D-R.I.), has introduced legislation to continue this standby authority. His bill would also make clear that the powers granted the President and the Federal Reserve Board can be used to combat high unemployment and recession, as well as inflation.

THE LIMITED use of credit control authority during the Carter Administration gave a needed spurt to the housing market—dropping mortgage costs from a peak of over 16 percent to about 12.5 percent within three months.

There is no way to compel this Administration to make use of standby powers. But it and future administrations should continue to have the option. Sometimes, even the most rigid economic ideology bends under practical realities.

Just now, it's up to Congress. The credit control law should be renewed. Time is short.

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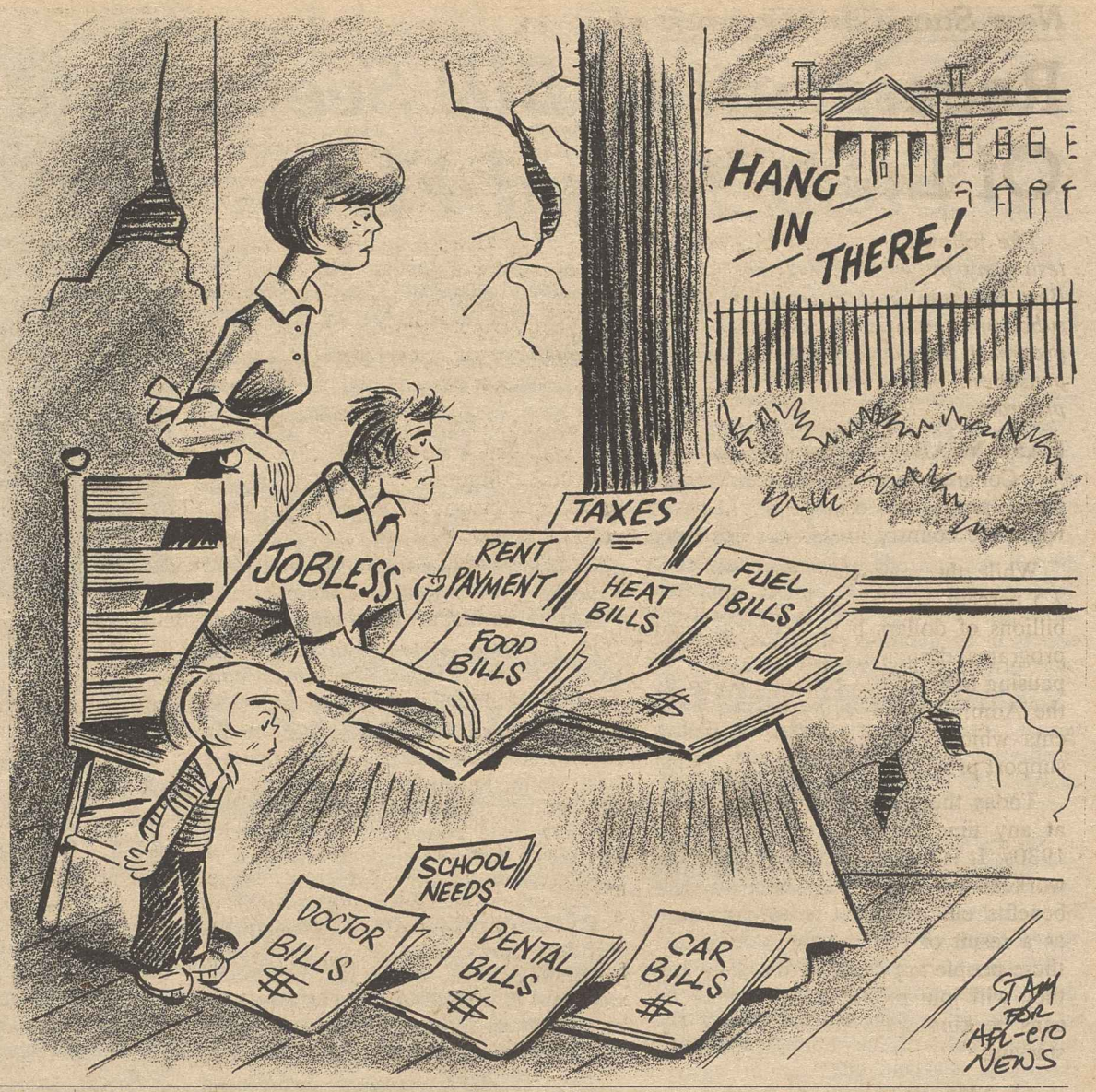


Blaming Wall Street

White House Passes the Buck For Gaping Economic Pothole

By Gus Tyler

PRESIDENT REAGAN is angry with the "money market." He says that it won't listen. If it were listening, says Reagan, then interest rates would come down.

Larry Speakes, spokesman for the White House, told the public just why the President was annoyed. "The president has cut inflation, cut the budget, made good on his promises and the money market won't listen," says Speakes.

Just who is meant by that vague phrase "the money market"? According to Robert Ortner, chief economist of the Commerce Dept., it is Wall Street. Backing up Speakes, he pummeled "the street" in public: "Wall Street hasn't bought the idea" of bringing down interest rates.

WALL STREET has not spoken yet because, unlike the White House or the Commerce Dept., the "street" is only an abstraction without a mouthpiece who can speak like Speakes. So it is silent as a wall.

But, if it could speak, it would quickly pass the buck. "Don't blame us," they would say. "Blame our central bank, the Federal Reserve Board. They decree that interest rates shall remain high. Ask them and they will tell you so."

So you go to the Feds and speak to its genial and consistent chairman, Paul Volcker. "Yes," he will gladly admit. "We have been keeping the interest rate high by keeping a tight grip on the money supply. And we are doing it because only by restraining the economy can we bring down the rate of inflation."

"But," the voice of the White House may say, "isn't it enough? To quote myself: 'We have cut inflation, cut the budget, made good on our promises.' Isn't it time to bring down that interest rate?"

IN THIS IMAGINARY conversation, Mr. Volcker would undoubtedly dig his teeth into his ever present cigar and, in his basso profundo, would calmly retort:

"What do you mean that you cut inflation? I was the one who cut it by keeping interest rates high. I was the doctor; my medicine is working; and I say that it is much much too soon to take the patient off the prescription. Lift the money supply and you will lift prices."

"But when will you bring down the interest rates?" pleaded the speakesman.

"When you do what you say you did. You say that you 'cut the budget.' But you didn't. You're spending more than Jimmy Carter. You subtracted here, then you added there, and then you added more. I know how to add and subtract. It's part of my job.

"What's more," continued the voice of the Fed. "You did not make good on your promises. Let me just read you one of those promises—the biggest one you made. Here's what our President said not so many years ago. 'Inflation is the cause of recession, and the only cause. . . . The one basic cause of inflation is government spending more than it takes in. . . . The cure is a balanced budget. . . .'

"DO YOU THINK interest rates will ever come down then?" wondered the voice of the White House.

"Sure," said the voice of the Fed. "Soon as you balance the budget."

"But will we ever balance the budget?"

"That," smiled the Fed, "is your business, not mine."

Infection of Recession Continues to Spread

We live in a nation where a decline in auto production in Michigan results in steel layoffs in Pennsylvania, steel and rubber layoffs in Ohio, electrical components in New Jersey and Wisconsin, auto upholstery in the Carolinas.

The decline in steel production further results in layoffs in the iron range of Minnesota and the coal fields of West Virginia.

High interest rates which result in a decline in new housing starts affect the lumber industry of the Northwest, and the brick and clay industry in Georgia.

As these laid-off workers forgo purchases of home appliances produced in Illinois, workers who make electrical cords in Vermont are laid off.

As workers exhaust their unemployment benefits, the recession begins to feed upon itself.

—From statement by Steelworkers President Lloyd McBride at House hearings.

New Sacrifices Demanded

Recession's Victims Feel Brunt Of Last Year's Program Cuts

The following is from the opening section of testimony by AFL-CIO Social Security Director Bert Seidman before a House Ways & Means subcommittee considering the Administration's proposed new cutbacks in unemployment compensation, public assistance and social services programs.

LAST YEAR the Administration requested and Congress enacted drastic cutbacks in vital social programs forcing the needy to sacrifice while the country waited for economic recovery.

While the unemployment rate has gone from 7.5 percent in 1981 to 9 percent in March 1982, billions of dollars have been cut from all of the programs designed to help the needy. Without pausing to assess the pain caused by these actions, the Administration is back asking for additional cuts which will further erode these basic life-support programs.

Today there are more people out of work than at any time since the Great Depression of the 1930s. It is estimated that 3 million unemployed workers will have their unemployment insurance benefits cut off or reduced in fiscal year 1983 as a result of recent actions by Congress. When these people are faced with a total loss of income they will join millions of other destitute Americans seeking ways to keep their families from starving.

AS THE RESULT of congressional action in 1980 and 1981, the extended benefit program is severely restricted. The national trigger has been eliminated, and extended benefit claimants are no longer included in the calculations of the state trigger. Because of this change in the trigger calculation, the state of Michigan, despite depression levels of unemployment, stopped paying extended benefits for 13 weeks.

To prevent such tragic anomalies, it is essential that the national trigger be restored and recipients of extended benefits be included in the trigger calculation.

As the result of two additional restrictions that will become effective on Oct. 1, 1982, extended benefits will be paid in fewer states due to the mandated increase in the state triggers and 20 weeks of qualifying employment will be required for eligibility. Millions of jobless workers in the current recession, therefore, will be deprived of unemployment compensation after they exhaust regular benefits resulting in economic disaster for them and their families.

THE GAP BETWEEN the insured unemployment rate and the official unemployment rate continues to widen. During the 1974-76 recession, the gap averaged 3 percent. This differential has increased to almost 5 percent. Because each state's insured unemployment rate is the trigger for extended benefits, even the present trigger levels are too high. Rather than enacting a 1 percent increase, Congress should have lowered the trigger. Once the increase takes effect in fiscal 1983, extended benefits will not be available until the official total unemployment rate is near 11 percent.

In fiscal year 1983 over 3 million unemployed workers will be denied extended benefits during periods when they otherwise would have been entitled as the result of economic events over which they have no control. It is the height of injustice to make them bear the responsibility for their unemployment under these conditions.

THIS SITUATION is even more intolerable because jobless workers are finding that other resources are no longer available to them. Tightened eligibility requirements for receipt of Aid to Families with Dependent Children (AFDC) make it virtually impossible for unemployed workers and their families to obtain any welfare assistance when they exhaust unemployment insurance benefits. Many of these workers will also be disqualified for food stamps due to the lowered ceiling on the amount of income a family can earn in order to be eligible.

In recognition of the necessity for additional weeks of benefits for unemployed workers during economic recession, Congress has several times enacted legislation establishing supplemental benefit programs. At this time of worsening recession and increasingly high levels of unemployment we are encouraged by the introduction of bills that would restore some of the protections to which the long-term unemployed are entitled.

Year-Old Fiasco

Reagan Tax Cut Scheme Fails To Reverse Slide in Economy

THE ADMINISTRATION'S plea for more time for its tax-cut plan to work suffers a basic fallacy: key parts of the program took effect more than a year ago and the economy has steadily worsened, AFL-CIO tax expert Arnold Cantor said.

"Most of the big business tax cuts—the larger revenue-losers—were retroactive to Jan. 1, 1981," Cantor stressed. And, he added, some of the cuts for the wealthiest individuals, "those in the top brackets," were back-dated to last June. Yet, he pointed out, the unemployment rolls have swollen to 9.9 million, another 1.3 million discouraged workers have dropped out of the labor force, and close to 6 million are working at part-time jobs because that is all they can find.

Cantor said that from the outset, the President based his tax-cut scheme on anticipation and future realizations that had no chance of working out. It was "economic nonsense to set up an inevitable collision of supply-side tax cuts and tight-money," he said on the network radio interview Labor News Conference. Cantor is assistant director of the federation's Dept. of Economic Research.

HE RENEWED the AFL-CIO's call for a 180-degree turnaround of the Reagan tax plan that would restore "substantial equity to the tax system." He noted that a main feature of the tax changes the AFL-CIO has put before both houses of Congress is a $700 cap on individual tax cuts. That, he said, would affect only "that 5 or 6 percent of the population that so unfairly and inequitably got far more than reason allowed," and would add $28 billion to badly depleted federal revenues.

Cantor said the Administration applied an unfair double standard in its tax program. He said that while it was "willing to give these huge, untargeted, unspecified gains to people in the top brackets," it was scrutinizing food stamps and all sorts of programs that are vital life-support aids to those families and individuals who are hit hardest by the recession.

There are "important, critical investments in the nation that this Administration is ignoring," Cantor asserted, and the way to get back on track is to curb the excesses of the Reagan tax program that are causing so much damage to Americans and the economy.

CORRECTION

An error in the Apr. 17 issue of the AFL-CIO News distorted a point made by Federation Sec.-Treas. Thomas R. Donahue at an international symposium in Rome. Donahue said:

"We do believe that our adversarial role, appropriate to the conflict of collective bargaining, should be limited to the period of negotiation. During the lifetime of a contract [arrived at through conflict bargaining] it ought to be replaced by a period of cooperation aimed at maximizing the potential of the joint enterprise to advance the company's business and the workers' satisfaction."

The Op-Ed article incorrectly quoted Donahue as saying, "We do *not* believe that our adversarial role. . . ."

Washington Window

By Press Associates, Inc.

MANY AMERICANS, young and old, fear that the social security benefits they have worked for will be drastically reduced and some even fear for the survival of the 47-year-old program.

A recent Washington Post-ABC News poll of older people revealed that 57 percent of them believed that in five years the program no longer will "provide a significant share of living expenses for the elderly."

However unjustified, the fears are understandable. For social security is under attack as never before.

THIS LANDMARK New Deal program has been fought by conservative naysayers from the beginning. Ronald Reagan, for example, called in past years for the virtual dismantling of the program by making it "voluntary."

Last May, Reagan, days after proclaiming "Older Americans Month," proposed massive cutbacks in the social security program—$82 billion over five years—in the name of saving it from "bankruptcy." Early retirees and the disabled would suffer the biggest cuts. The public outcry against Reagan's proposed cuts led Congress to reject most of them.

However, Congress approved several of the cuts, including the minimum benefit for new retirees, survivors benefits for college students, and lump-sum death benefits.

LIKE MANY MYTHS, the one of impending social security insolvency contained a grain of truth. One of the program's three trust funds, the old-age and survivors fund, was running low because high unemployment had cut payroll revenues and high inflation had pushed up cost-of-living increases. But the fact shunted aside by the fearmongers was that the two other trust funds—disability and Medicare—were more than able to compensate for the relatively slight and temporary shortfall in the old-age fund.

Congress, in effect, recognized this when it rejected the wholesale gutting of the program and, instead, approved interfund borrowing among the three trusts through June 1983. Critics claim this "stopgap" solution only "postpones the day of reckoning" because an aging population will, they say, put unbearable pressures on the payroll tax-funded program.

But this myth is exposed by Congressional Budget Office calculations that while the old-age fund faces rather small shortfalls during the 1980s if the economy remains weak, this fund will move into a favorable position by 1990, at least until 2015.

During this period, the numbers of older people will be balanced by the increase in the size of the wage-earning population. A scheduled 1990 social security tax increase also would help.

In the years beyond 2015, the program could face substantial shortfalls as the postwar "baby boom" retires unless nothing is done to shore it up by that time. And action to bolster and reform the program without gutting it is something the doomsayers conveniently omit from their dire calculations.

FOR SOCIAL SECURITY is not some kind of inflexible balance sheet portrayed by the mythmakers. It is a social compact between the people and their government. It is an earned right of every citizen to live in retirement with dignity. Thus Congress would never permit it to go "bankrupt," nor would the people stand for it.

Senior citizen and labor groups long have advocated ways to improve the program's financing and make it more equitable. Among these proposals is for Congress to authorize borrowing from general revenues if the economy makes this necessary in the 1980s. Also, interfund borrowing should be made permanent.

Social security must be preserved intact. Congress should reject the schemes of the mythmakers to weaken its protections.

A BASIC FALLACY of President Reagan's plea for more time for his tax-cut scheme to work is that most of it has been in effect more than a year and the economy has steadily worsened, AFL-CIO Economist Arnold Cantor, center, said on Labor News Conference. He was questioned by Peggy Simpson of the Boston Herald-American and Robert Cooney of Press Associates, Inc. The AFL-CIO produced public affairs interview is aired weekly on the Mutual radio network.

Television Series On Labor Linked To College Credit

Paramus, N.J.—A 27-part television series on American labor, produced by Bergen Community College here, will be broadcast nationwide over the CBS network for early morning viewing—and possible college credits.

The series, starting May 17 in the New York metropolitan area and May 18 elsewhere, is entitled "American Labor: A Modern Perspective." It will examine the changing nature of work and the workforce, and the role that unions play in American life. Local, regional and national union leaders are among those appearing on the series.

Three college credits are offered by Bergen Community College for a fee of $86.25, which includes supplementary readings and regular communications with the instructor. A brochure describing the course is available by writing Dr. Philip C. Dolce, Bergen Community College, Paramus, N.J. 07652, or phoning (201) 447-1500, Ext. 250.

Retiree Cost-of-Living Index Asked

A special cost-of-living index for aged or retired persons is preferable to using either of the two existing consumer price indexes as a basis for adjusting government social security and other retirement benefits, the AFL-CIO told Congress.

"We would support congressional initiatives to accomplish this result, including the necessary funding for the Bureau of Labor Statistics to undertake the work," Research Director Rudy Oswald said in testimony before a Senate Governmental Affairs subcommittee.

THE PANEL is considering plans to use "CPI-U" index rather than "CPI-W" index in calculating automatic cost-of-living adjustments in benefit programs. Various bills toward this end have been introduced dating back to 1978 when CPI-U was first published, the rationale being that it was a better index to use because the retired population was included in the expenditure surveys from which the index is derived. CPI-W covers only the working population of wage earners and clerical workers.

But while CPI-W excludes the buying patterns of retired persons, CPI-U "drowns them out," Oswald said. Expenditures of families headed by persons age 65 and over make up only a small portion of total family expenditures—less than 12 percent, according to a 1972-73 BLS survey.

Data show that there is a distinct difference between the type of expenditures made by families with heads age 65 and over as compared with the population as a whole.

HOME PURCHASE outlays, for instance, made up 10.9 percent of expenditures by the general population but only 4.3 percent for families with heads age 65 and over, the BLS survey showed. Similarly, mortgage interest costs were 5.2 percent for all families but only 1.7 percent at age 65 and over. In marked contrast to the general population, most older families have already bought their homes and are no longer incurring mortgage interest payments.

On the other hand, property taxes, insurance, maintenance and home repair loomed larger in the expenses of older people. Taken together, they comprised 7.7 percent of outlays as against 4.7 percent for the general population.

Other significant differences include shares of the older people's market basket for food (21 percent as against 17.4 percent), for fuel and utilities (9.1 percent as against 6.2 percent), and for medical care (9.9 percent as against 5.5 percent.)

APART FROM the matter of a special index for retired people, Oswald noted, the question of using CPI-U versus CPI-W for adjusting government benefit programs has now been complicated by BLS's plan to change the homeownership component of both indexes to a "rental equivalence" measure on different effective dates. For CPI-U, the change takes place next Jan. 1, while the effective date for CPI-W is Jan. 1, 1985.

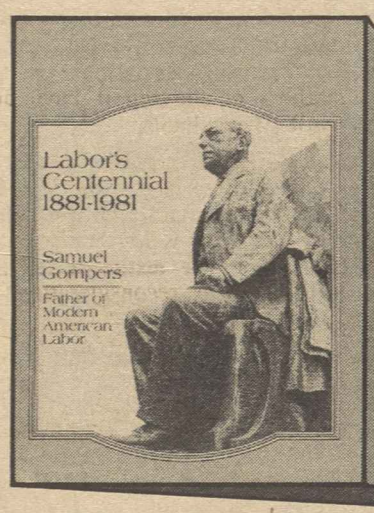
The AFL-CIO opposes the change to a rental equivalence measure because it means dropping the direct pricing of home purchase and mortgage interest costs along with property taxes, inurance, and maintenanance and repair.

"The problem of finding enough rental housing sufficiently similar to owned housing to serve as the basis for a rental equivalence index has been a sticky one even for proponents of this methodology," Oswald said. "We do not believe it has really been resolved by the procedures being adopted by BLS, particularly for the 'first stage' of the changeover scheduled for completion by January 1983."

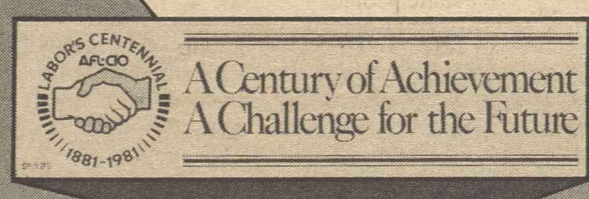
THE FEDERATION has additional practical reasons for opposing any speedup in the conversion schedule for CPI-W, he added. Most labor contracts use CPI-W, with existing contracts expiring at various times between now and 1985.

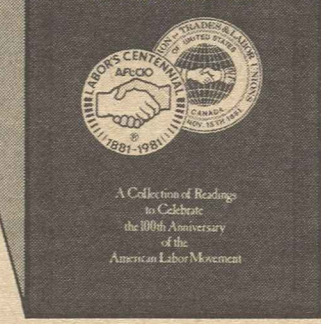
"If a major alteration in the basic computation of the index is made, such as the housing change represents, it would invite disputes over the validity of existing COL provisions," Oswald said. "The possible disruptive impact of basic CPI changes for existing agreements is in itself a sufficient reason not to install a rental equivalence CPI-W before January 1985."

AFL-CIO CENTENNIAL MATERIALS



"What does labor want? . . . We want more school houses and less jails; more books and less arsenals; more learning and less vice; more leisure and less greed; more justice and less revenge . . . in fact, more of the opportunities to cultivate our better natures."—Samuel Gompers





Gompers. Green. Lewis. Murray. Reuther. Meany.

These are great names from the pages of American labor history. They, along with thousands of working men and women, nurtured the roots of the trade union movement.

The human drama that evolved in the growth of the unions in the United States is documented in materials prepared for the AFL-CIO's observance of labor's centennial year. Many of these publications, pamphlets, posters, lithographs and reprints of articles are still available from the AFL-CIO Pamphlet Division.

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State Job Agency Drops Query on Union Affiliation

Knoxville, Tenn.—A U.S. District Court judge here issued an order stopping the Tennessee Dept. of Employment Security from questioning workers about their union membership.

As a result of a suit filed by Clothing & Textile Workers Local 1742, Judge Robert Taylor signed the order—agreed to by both parties—stipulating that the department will not direct or allow use of such questions as "Are you a union member?" on its forms in the future. The local had challenged the constitutionality of such questions.

"WE FEEL THAT this represents a complete victory for our membership, and for all union members in the state of Tennessee," said Local 1742 President Bernice Butler.

"Workers can now be free to participate in their union with the full knowledge that the state will not be intruding into their rights of freedom of association, and that information concerning their membership in a union will not be available for possible abuse by the state or by private agencies or employers."

The order also calls for the Dept. of Employment Security to clarify language concerning union hiring halls and says that the union will participate in the rewriting of the language.

J. C. Turner Heads United Way International

J. C. Turner, president of the Operating Engineers, has been named chairman of United Way International—an arm of United Way of America that has voluntary fund-raising and service programs in 16 countries.

Turner has been on United Way's board of governors since 1976 and is the former chairman of its executive committee.

Urban Family Budget Rises 9.8% in Year

(Continued from Page 1)

BLS observed. "Continuation of the program would have required revision of concepts and expenditure data and extensive price collection for which funding was not available."

Since last fall, prices as reflected by the CPI-W have increased 1.1 percent through February. The social security tax rate has risen five-tenths of 1 percent, with the maximum taxable base expanded from $29,700 in 1981 to $32,400 in 1982. During the same period, federal income taxes have been cut—5 percent as of Oct. 1, 1981, or 1.25 percent annualized, with a 10 percent cut scheduled to take effect on July 1.

IF ALL THESE adjustments were made, AFL-CIO Economist Anne Draper estimated that the lower budget level as of February would be $15,329, or $6 higher than last fall. However, largely due to scheduled and actual federal income tax reductions, the intermediate budget total would be $25,258, or $149 less than last fall, while the higher budget would be $309 less at $37,751.

Most American families were far short of the middle-level standard of living reflected by BLS's 1981 intermediate budget.

Indeed, the income of many families more closely approximated the lower budget level. The Census Bureau reports that the median income of all families with one wage earner in 1980—the most recent year for which it has statistics — was $16,714.

AT ALL THREE levels, the costs of basic necessities were approximately 7.5 percent higher in autumn 1981, with the largest increases occurring in transportation and medical care. Personal income taxes, including federal, state and local tax payments, rose 19.4 percent at the lower budget level, 17.5 percent at the middle level, and 17.9 percent at the higher level.

Social security deductions increased approximately 18 percent at the lower level, 19 percent at the intermediate level, and 24 percent at the higher level. The large increases were due to an increase in the social security contribution rate from 6.13 percent in 1980 to 6.65 percent in 1981. and an increase from $25,900 to $29,700 in the maximum income on which contributions are made into the social security system.

Among necessities, transportation expenses rose 12 percent for families at the lowest budget level, 12.1 percent for middle-level families, and 11.8 percent for those at the higher level.

Housing costs rose 8 percent at the lower level, 8.6 percent at the intermediate level, and 8.7 percent at the higher level. Shelter costs were higher at the middle and higher levels because of mortgage-interest costs and large price increases for fuels and utilities, BLS said. Medical-care costs increased 10.6 percent for lower-level budgets, and 10.7 percent at the other budget levels. Most other consumption costs rose at about the same rate for each budget.

THE BUDGETS do not represent how families actually do or should spend their money. Rather, they reflect certain assumptions about the manner of living at each of three relative standards of living.

The estimates are drawn up for a hypothetical family consisting of a 38-year-old man employed full time, his nonworking wife, and their 13-year-old boy and eight-year-old girl. The couple is assumed to have been married 15 years, the family settled in the community, and the husband an experienced worker. The family has, for each budget level, average inventories of clothing, house furnishings, major durables, and other equipment.

The budgets are prepared for 24 metropolitan areas, defined as those with more than 1 million people, four non-metropolitan regions (populations between 2,500 and 50,000), and Anchorage, Alaska. Nearly three-fourths of all Americans live in cities and metropolitan areas.

VIEWS ARE EXCHANGED by AFL-CIO President Lane Kirkland and Lionel Jospin, first secretary of the French Socialist Party, who visited the United States at Kirkland's invitation. During his stay, Jospin met with several AFL-CIO vice presidents in Washington and New York. From left are Communications Workers President Glenn E. Watts, Kirkland, Jospin, Seafarers President Frank Drozak, and Operating Engineers President J. C. Turner, who participated in the Washington meeting. Jospin was accompanied by his party's Deputy National Secretary Jacques Huntzinger and Alain Davezac, director of North American affairs for the party's international secretariat.

OSHA Hit for 'Outrageous' Retreat On Curb of Cotton Dust Hazards

The Clothing & Textile Workers branded as "outrageous" Reagan Administration plans to tamper with protections of the federal cotton dust exposure standard that the Supreme Court upheld last year.

The Occupational Safety & Health Administration has no justification for reopening rulemaking on the standard, ACTWU said, challenging OSHA and industry claims that there is "new health data" or a need for "consideration of more cost-effective compliance methods."

THE UNION leveled the charges in a statement submitted to OSHA in a public comment period that followed the announcement that the agency proposed its review.

The Supreme Court held in June 1981 that the federal rules on worker exposure to cotton dust should stand and rejected the principle of applying "cost benefit analysis" to regulations concerning workers' health.

ACTWU scored the agency for tampering with the cotton dust regulations in effect since 1978 "in view of OSHA's inability to expedite—and in some cases even begin—rulemaking on known unregulated hazards." It said that since the high court has already held that the existing standard provides sufficient protection, OSHA must also show that an alternative standard is equally or more protective in order to re-open rulemaking, and that has not been done.

The union questioned the validity of "new information" on the specific effects of cotton dust inhalation and its relation to the crippling "brown lung" disease that afflicts many textile industry workers.

The statement pointed out that a health effects review must be based on "the latest and best available data." By law, OSHA can get such data only from surveys by the National Institute for Occupational Safety & Health or from its own extensive collection of all company medical and exposure data, validated by NIOSH, the union contended.

The American Textile Manufacturers Institute in its statement to OSHA claimed that an industry survey of the effects of exposure to cotton dust show that "the dimension of any respiratory health problem in the cotton textile industry is much smaller than seems to have been believed by some people."

THE INDUSTRY group also wants OSHA to adjust the permissible exposure limit for cotton dust to account for other substances in the mill atmosphere. Workplaces using fibers that are more than 90 percent synthetic should be excluded, ATMI said, and more exclusions should be granted mills handling washed cotton.

ATMI also called for setting of an "action level" at 50 to 60 percent of the current exposure level below which requirements of the standard could be relaxed, and the institute asked for a two-year rather than annual requirement on medical surveillance of workers' health.

The problems of relying on the employers' collection of medical records are "severe," ACTWU said, pointing to NIOSH criticism of industry medical surveillance data during the 1977 hearings on the then-proposed standard and to ATMI's failure to substantiate its medical evidence.

IN MARCH, ACTWU and a group of independent medical experts on brown lung disease sharply questioned the results of a report released by the National Academy of Sciences which suggested that there is not enough evidence to link cotton dust to byssinosis, the scientific name for brown lung disease.

Eric Frumin, ACTWU safety and health director, charged that the NAS report was biased and did not add any new data to the scientific evidence but merely selected from existing studies. He pointed out that several authors of the report have been textile industry consultants.

He praised a draft report prepared by the World Health Organization and forwarded by its authors to OSHA which concludes that "there is no new scientific data available on the textile sector that would justify serious reconsideration" of the cotton dust standard.

The WHO study urges the federal agency to maintain the current exposure standards for cotton textile preparation, processing and weaving operations.

PANEL MEMBER Dr. James Merchant of the University of Iowa told OSHA that the current standard "has had a marked positive effect on environmental conditions" in U.S. mills, and at a time when many "progressive mills" have made investments to comply with the standard and protect their workers' health "it would be a serious mistake to relax the provisions of this standard."

AFL-CIO Safety Director George H. R. Taylor said the WHO report "reinforces the position long taken by the AFL-CIO, ACTWU and other unions" on the validity of the current cotton dust standard and "refutes" the positions taken by the Administration.

In comments to OSHA, the Clothing & Textile Workers also argued against setting of "action levels" based on evidence that even below permitted exposure levels there is still an "unacceptablly high" health risk.

ACTWU pointed out that there is a government-industry-labor research project underway to determine safety in washed cotton processing and that only those results should be considered in setting exclusions.

The union also called for retention of wage protections in the standard, an issue the Supreme Court sent back to federal appeals court for further hearings.

City Family Budget Costs At Three Levels of Living

Summary of annual budgets for a four-person family at three levels of living, urban United States, autumn 1981.

	Lower budget	Intermediate budget	Higher budget
Total budget	$15,323	$25,407	$38,060
Total family consumption	12,069	18,240	25,008
Food	4,545	5,843	7,366
Housing	2,817	5,546	8,423
Transportation	1,311	2,372	3,075
Clothing	937	1,333	1,947
Personal care	379	508	719
Medical care	1,436	1,443	1,505
Other family consumption	644	1,196	1,972
Other items	621	1,021	1,718
Social security and disability	1,036	1,703	1,993
Personal income taxes	1,596	4,443	9,340

Electrical Workers Ratify General Motors Contract

Members of the Electrical, Radio & Machine Workers employed by General Motors overwhelmingly approved a new two and one-half year contract providing greater job security.

The pact, which was negotiated six months ahead of schedule due to adverse economic conditions in the auto industry, covers some 22,000 IUE members at six GM locals.

Of the 17,665 votes cast, 71.6 percent favored acceptance of the contract.

Enterprise Zone Scheme Held Lure to Exploiters, Not Source of New Jobs

President Reagan's proposal for tax-favored "enterprise zones" to attract businesses to inner cities wouldn't create any new jobs and should be rejected, the AFL-CIO urged at Senate hearings.

The tax giveaway at most would lure "footloose employers" from one unemployment-ravaged location to another, AFL-CIO Vice President Sol C. Chaikin contended. Chaikin, who is president of the Ladies' Garment Workers, testified for both the AFL-CIO and his own union.

Labor "strongly favors the rebuilding of our inner cities and the creation of new jobs," Chaikin stressed. But the urban enterprise zone concept "is a delusion and a diversion from the real problems facing our inner cities."

THE BASIS for the AFL-CIO's opposition was also spelled out by Legislative Director Ray Denison in a letter sent to all members of Congress.

The potential tax loss of billions of dollars would take revenue needed for "programs that directly address the problems of unemployment and deteriorating neighborhoods," Denison said, to give to "fly-by-night firms that are more interested in a fast buck and exploitation.'

Chaikin's testimony, before a Senate Finance subcommittee, made the point that business expansion is keyed to demand and, in today's recession, only 70 percent of the nation's productive capacity is being utilized.

THE APPAREL industry has lost hundreds of thousands of jobs to imports from low-wage countries, Chaikin said, and attempts to maintain wage standards are continuously threatened by unscrupulous employers who exploit the fears of undocumented workers.

"I can tell you straight out," Chaikin testified, that any increase in apparel industry employment in enterprise zones "will come at the expense of jobs now existing outside of the enterprise zone."

New tax inequities should not be created merely to "shift existing jobs from one depressed area to another and from one minority group to another," he urged.

TAX EXPENDITURES rather than tax giveaways are needed for the inner cities, Chaikin urged. He cited unmet needs for improved sanitation, health care facilities, housing, crime prevention and drug abuse programs.

Chaikin reminded the panel that the Reagan Administration originally contemplated modification of minimum wage protections as an additional inducement for locating in an enterprise zone.

"We suspect that the lifting of regulations that protect public health, provide for occupational safety and attempt to limit further degradation of the environment remain as part of the hidden agenda," he testified.

"This nation cannot afford to continue to grant further tax advantages to the business community while sloughing off the responsibilities of national government," Chaikin insisted.

THE COMPREHENSIVE economic revitalization program advanced by the AFL-CIO Executive Council earlier this year "offers the most effective way to deal with our blighted inner cities and the high levels of unemployment that pervade them," he said.

As for the Administration's urban enterprise zone proposal, it is "a delusion and a diversion from the real problems facing our inner cities. We are convinced it is part of a broader, sugar-coated strategy aimed at the destruction of hard-won protective legislation for the workers and the poor of our nation."

Republicans Gain Vote in Senate as Brady Takes Seat

The political lineup in the Senate tilted to a 54-46 Republican majority as Nicholas F. Brady, the newly appointed senator from New Jersey, took his seat.

Brady, a wealthy investment banker and political ally of Vice President Bush, filled the vacancy left by the resignation last month of Democrat Harrison A. Williams, Jr.

He was appointed to the post by Republican Gov. Thomas H. Kean, to serve through the November election, when New Jersey voters will choose a senator for a full six-year term.

Brady is not a candidate for the seat and Kean named him as a "caretaker" appointee rather than give the advantage of incumbency to one of the candidates for the Republican nomination in the June 8 primary. The leading GOP candidates are Rep. Millicent Fenwick, a political moderate, and Jeffrey Bell, who is supported by the GOP's conservative wing.

A scene from "With Babies and Banners"

'Babies and Banners' Film Scheduled for Television

The award-winning film, "With Babies and Banners," will have its television premier May 7 on the national Public Broadcasting System. The program will include a panel discussion with union women and labor historians.

"With Babies and Banners," which won numerous international film awards and was nominated for an Academy Award in 1969, recreates the story of the Women's Emergency Brigade which helped Auto Workers win the famous 44-day sit-down strike at General Motors in Flint, Mich., in 1937. The strike was seen as a turning point in the CIO's organizing drive.

Director Lorraine Gray, filmmaker Anne Bohlen and labor historian Lyn Goldfarb produced the story of the women who helped win the strike.

PBS will air the broadcast at 10 p.m. EDT, but local listings should be checked to verify broadcast times.

Auto Workers to Challenge Bonus Hike to GM Officials

The Auto Workers, angered over management proposals to make it easier for executives of General Motors Corp. to take big bonuses, said it would send a delegation to the company's May 21 annual meeting to oppose the plan.

"The UAW finds these proposals to be an absolute outrage, particularly at a time when GM workers have just agreed to substantial sacrifices to help the company withstand the terribly depressed conditions facing the auto industry," UAW President Douglas Fraser said.

Under proposed changes in GM's bonus compensation system, the profit the company must make before bonuses are awarded would be reduced. Bonuses would be granted when GM's annual after-tax earnings exceed $1 billion, rather than the current requirement of $1.27 billion.

GM DISCLOSED the proposal, which is subject to shareholder approval, in proxy material distributed Apr. 16, only hours after UAW and the company signed a new contract calling for $3 billion in union concessions.

In addition, the changes would increase the number of executives eligible for bonuses, and create a new incentive plan for executives who achieve certain performance goals.

UAW Vice President Owen Bieber, who directs the union's GM department, said the proposed changes "violate the entire spirit of the agreement negotiated with General Motors. While our initial examination of GM's proxy statement indicates the changes won't result in any payout this year, GM couldn't send its workers and consumers a worse signal.

"THE INK WAS barely dry on the new contract, and along comes GM making it easier for its top executives to reward themselves financially."

Fraser said that GM should withdraw the proposals, but if it fails to do so and the shareholders adopt the changes, "we will call upon GM Chairman Roger Smith and all those who could receive bonuses to state publicly they will refuse to accept them."

Because of the industry-wide car sales slump, there have been no bonuses for the past two years under the current bonus system. GM reported earnings of $333.4 million in 1981, and losses of $763 million in 1980.

GM said that the proposed changes in the bonus plan are needed to attract and retain execuitves.

FTC Funding Backed to Protect Consumers

The Federal Trade Commission should have the funds and enforcement power it needs to protect consumers against marketplace deception, the AFL-CIO urged at House hearings.

Congress must renew the FTC's authorization in order for the agency to function after next Sept. 30, and business groups are using the deadline to press for new curbs on its powers. They have found an ally in FTC Chairman James C. Miller III, a Reagan appointee who has testified in support of new restrictions on his agency.

The AFL-CIO protested that proposed curtailments, including a redefinition of "deception," would make it "much harder" for the FTC to investigate and prosecute fraud.

IN A TIME of high inflation and high unemployment, America's workers need "more, not less, protection in the marketplace," Arnold Mayer testified for the AFL-CIO. Mayer is vice president and government affairs director of the Food & Commercial Workers.

Mayer reminded the House Commerce subcommittee that the demand for less government intervention in the marketplace hasn't come from America's consumers.

Workers and their families have been helped by FTC orders that required companies to stop billing customers for unordered merchandise, refunding money paid on layaway purchase plans that weren't completed, cracking down on abuse debt collection practices and discriminating against women and minorities in granting credit, Mayer told the panel.

The AFL-CIO protested that there would be "less protection for consumers" if Congress curtailed the FTC's authority over unfair or deceptive practices or had to measure the "costs and benefits" of its rules.

SOME INDUSTRY groups want to bar the FTC from seeking civil penalties for intentional violations of the law in a "first offense," but Mayer protested that this would allow a company to flout the law with impunity until it was caught. "You can imagine the message that Congress would be sending the hucksters and swindlers of the marketplace," he suggested.

The AFL-CIO also expressed strong opposition to legislation that would bar the FTC from acting against "anti-competitive" conduct by members of professions, such as doctors, lawyers and dentists. Mayer cited FTC successes in curbing an attempted boycott of a union-negotiated dental insurance plan, concerted efforts by doctors to force higher payments for Medicaid patients and attempts to prevent price advertising for eyeglasses.

He said the AFL-CIO is convinced that the FTC "is performing a valuable service" for all consumers.

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4/24/82

IUD Delegates Hit Recession-Breeding Policies

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Three topics of critical importance to industrial workers—interest rates, auto local content legislation, and job safety issues—dominated discussions at the AFL-CIO Industrial Union Dept.'s annual legislative conference in Washington.

Some 500 delegates representing 21 unions heard labor and political leaders address the issues, studied informational materials about them, and then lobbied hard in visits to congressional offices and meetings with various state delegations.

THE CONFERENCE was held in conjunction with legislative meetings of several IUD affiliates. A congressional reception attended by some 100 members of Congress was held the evening before the plenary sessions.

IUD President Howard D. Samuel opened the sessions with a review of the deterioration of the economy under the Reagan Administration.

"With more than 10 million American workers unemployed, with some industries facing disaster, we are in the midst of one of the worst economic busts in recent history," Samuel said. "President Reagan's supply-side economics coupled with tight money and high interest rates have compounded the difficulty faced by many industries—but neither party in Congress has distinguished itself this past year."

Reviving the economy requires direct action by Congress, Samuel declared.

"We want a sensible budget for America that supports social programs for the defenseless, including the victims of layoffs," he said. "We need to revive our largest industry—auto assembly and auto parts and supplies—through auto local content legislation. And we need to relieve the stranglehold of high interest rates that are squeezing the life out of industry after industry and community after community."

The day before the conference opened, legislation was offered in the House to bring down high interest rates. The Low Interest Rate Act of 1982 introduced by House Banking Committee Chairman Fernand St Germain (D-R.I.), would extend

(Continued on Page 3)

1,000 STEELWORKERS and their families marched from the White House (in background) to Capitol Hill in a last-ditch move to save two Detroit steel mills and 4,000 jobs. Members of Locals 2659 and 7990 at the McLouth Steel Co. came to the nation's capital to seek support for government guarantee of a loan to the bankrupt company, one of the most modern in the nation. They also sought curbs on steel and auto imports.

Quotas Sought to Combat Job-Killing Steel Imports

Quotas on steel imports are necessary to America's industrial health and justified by tactics other nations have used to penetrate the U.S. market, Steelworkers President Lloyd McBride testified.

"One out of four tons of steel consumed in the United States is produced in foreign mills, while 80,000 steelworkers here are on layoff," McBride said.

"WE HAVE steelworkers who have exhausted state unemployment benefits, are ineligible for trade adjustment assistance, and are without supplemental unemployment benefits in most of the large companies because funds are exhausted."

Also testifying at hearings by a House Energy & Commerce subcommittee was the chairman of U.S. Steel Corp., David Roderick, who said existing mechanisms for dealing with dumping and import damage have been inadequate.

While he doesn't "favor" quotas, Roderick told the panel: "I support Mr. McBride's call for quotas if we cannot get justice through our regular system."

BEARING WITNESS to the plight of the industry's workforce was an 18-bus caravan that came from Michigan on a mission to save 4,000 jobs that will be lost if the McLouth Steel Co. is forced to close its two Detroit-area plants.

Nearly 1,000 USWA members and supporters made the trip to Washington and marched from the White House to a Capitol Hill rally with Michigan's congressional delegation seeking government support to keep the plants open.

McBRIDE TOLD the committee that the steel industry's problems have been compounded by "the failure of President Reagan's economic program" and the "job-killing effect" of high interest rates.

While the recession has made the steel industry's problems "even more repressive," the inroads of foreign steel have come about largely because of subsidies and related forms of economic assistance other nations provide, he testified.

"We cannot compete if foreign steel-producing nations play by one set of rules and we play by another," McBride warned.

The problems of the steel industry have been "overstudied," he suggested, and "the time for remedial action is past due." He urged members of Congress and Administration officials "to visit our steel communities" and talk to the union's members "in order to understand the despair and growing anger of American workers

(Continued on Page 8)

Economic Trends Of '70s Widen Gap In Family Income

Most American families were on an economic treadmill during the decade of the 1970s, running hard but no better off after 10 years of wages chasing inflation.

Some, especially among blacks, were worse off.

In terms of reducing inequality in income—the gap between those with the most and those with the least—gains made in the 1960s were wiped out in the 1970s.

That's the finding of a large-scale sampling of American households conducted as part of the 1980 census. Its income figures are all expressed in constant 1980 dollars so that comparisons of 1960, 1970 and 1980 family income are valid in terms of buying power.

DURING THE decade of the 1960s, when the government's war on poverty was launched, median family income in the United States rose significantly from $15,637 to $20,939. But 10 years later, it had crept up only to $21,023.

While real family income for whites was less than 1 percent above the previous decade, median family income for blacks slumped 5 percent, to $12,674.

More households were at the lower and higher ends of the income scale at the time of the 1980 census than 10 years earlier.

THE GAINS of the Sixties weren't wiped out for the lower-income groups but they were trimmed back. Thus, in constant dollars, 27.5 percent of households had incomes under $10,000 as measured in the 1960 census. This group dropped to 17.8 percent 10 years later but edged up to 18.9 percent in the 1980 census.

But while 18.9 percent of households had incomes over $25,000 in 1960, the ratio climbed to 37.5 percent in 1970 and to 39.3 percent in the 1980 census.

A Census Bureau official said the increase in the number of families with two wage earners was a factor in the rise of upper-income households. The census report noted also that the size of households shrunk during the Seventies, so that per capita incomes rose even though family income did not.

THE CENSUS sample showed 12.5 percent of all persons below the poverty line, down slightly from 13.7 percent a decade earlier. Nationally, the poverty rate was 9.4 percent among whites, 30.2 percent for blacks and 23.8 percent for persons of Spanish origin.

The poverty rate was highest in Mississippi, at 24.5 percent, followed by Louisiana and Arkansas. In metropolitan areas of over 1 million population, poverty was most prevalent in New Orleans, San Antonio and New York.

A CENSUS analyst quoted in the New York Times noted the impact of recessions on the widening of the income gap. The pattern is that when unemployment rises, lower-income people are often "the first to be laid off."

The census sampling also showed a substantial rise in the percentage of one-parent families.

In 1970, families maintained by one parent—either male or female—without a spouse present amounted to 12.3 percent of all families with children under 18.

By 1980, the ratio had risen to 19.1 percent. In numbers, 5.8 million of the 30.3 million families with children were in this category.

Congress, Reagan Clash on Training

House and Senate committees are battling the Reagan Administration over the shape and size of job training legislation to replace the expiring Comprehensive Employment & Training Act (CETA).

The Administration slashed CETA programs heavily last year and wiped out entirely the anti-recession public service jobs program which employed 300,000 people when President Reagan took office. It now wants to cut the current funding level of $3 billion—about half the pre-Reagan level—to $2.4 billion, mostly in "new federalism" grants to states.

BY CONTRAST, the House Education & Labor Committee on Apr. 27 approved a $5.4 billion job training package sponsored by Rep. Augustus F. Hawkins (D-Calif.) and Rep. James M. Jeffords (R-Vt.). A public jobs section, providing extra funds to communities during recessions, was dropped from the bill. But it will be considered by the committee as separate legislation, Hawkins was promised.

A Senate Labor & Human Resources subcommittee approved a smaller-scaled job training bill, a compromise measure sponsored by Subcommittee Chairman Dan Quayle (R-Ind.) and Sen. Edward M. Kennedy (D-Mass.).

It was supposed to be a bipartisan "consensus bill" but Labor Sec. Raymond J. Donovan warned that it faces a veto unless cut back to the Administration's specifications.

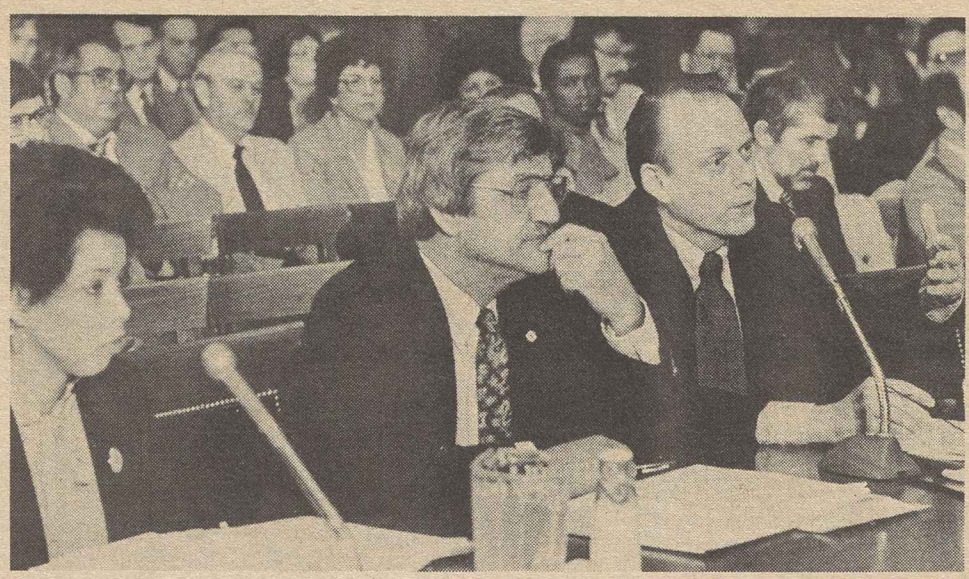
DONOVAN WROTE Quayle and Sen. Orrin G. Hatch (R-Utah), the chairman of the full committee, that it is "not acceptable to the Administration" because it would allow living allowances to be paid to trainees and departs from the President's blueprint in other respects.

Unlike the House bill, the Senate measure has an open-ended authorization—leaving the funding level to a later congressional decision. But Quayle estimated fiscal 1983 expenditures in the $3 billion to $3.5 billion range.

The Quayle-Kennedy bill would leave the issue of living allowances for trainees up to the local area "prime sponsor." The Hawkins measure would base payments to participants on need.

THE ADMINISTRATION proposal, and to a somewhat lesser extent the Senate bill, would put control over local programs under Private Industry Councils in which employers would have an absolute majority.

The Hawkins measure would diffuse membership among various segments of the community and provide for consultation with unions representing workers in fields for which training is being provided.



COMPENSATION PROGRAM for workers disabled by exposure to asbestos and other occupational health hazards is urged by AFL-CIO witnesses at House hearings. With Legislative Director Ray Denison, center, are Arleen Gilliam, an assistant director of the federation's Dept. of Social Security, and Lawrence Smedley, the department's associate director.

Asbestos, Radiation Exposure

Fund Urged for Victims Of Job-Related Diseases

The AFL-CIO urged the House Labor Standards subcommittee to approve legislation to set up a federally-administered compensation program for workers disabled by exposure to asbestos and uranium ore.

State workers' compensation programs have proved inadequate to deal with occupational disease, AFL-CIO Legislative Director Ray Denison testified.

DENISON ENDORSED as an important step forward a bill introduced by Subcommittee Chairman George Miller (D-Calif.) and urged strengthening amendments that would allow future coverage of other occupational disease hazards.

"Thousands of workers die each year from the effects of asbestos, cotton dust, beryllium, lead, carbon monoxide, cancer-causing chemical dyes and pesticides to which they were exposed, sometimes many years ago. Thousands more workers suffer long illnesses from the same causes," he testified.

The Miller bill would establish a presumption of eligibility for benefits in cases of mesothelioma (a chest cancer) or asbestosis, which attacks the lungs, if it is shown that the worker was exposed to asbestos in the course of employment.

SUCH A presumption is needed, Denison said, because "for too long, workers disabled by exposure to occupational hazards have been forced to bear the burden of proof that their disabling diseases are caused by such exposures."

Compensation benefits for total disability and survivorship benefits for death from covered illnesses would be two-thirds of the worker's average weekly wage up to a maximum of double the national average wage. There would be no limit on payment of medical expenses.

These proposals are in line with the standards the AFL-CIO has urged for all workers' compensation, Denison noted. He welcomed also provision for adjustment of benefits in line with increases in the state's wage levels.

THE MILLER BILL would put financial responsibility on the last employer of the disabled worker, if that was the location where the asbestos or uranium ailment was contracted. Otherwise, benefits would come from a fund created by payments required from employers, manufacturers and importers.

Both the Chamber of Commerce and the National Association of Manufacturers testified against the legislation.

The Chamber insisted that state laws generally are adequate to cover all occupational diseases and argued that the states should be left free "to fashion solutions that meet their own needs."

DENISON URGED that the legislation leave intact the right of workers to bring suits against third-party manufacturers.

Under the Miller bill, expansion of the program to other occupational diseases would come only through a recommendation by the Secretary of Health & Human Services to the Secretary of Labor, who would then submit proposed legislation to Congress.

Denison urged that expansion recommended by the Dept. of Health & Human Services be acted on under rule-making authority of the Labor Dept., including opportunity for comments by interested parties.

Threat to U.S. Jobs Cited In Reagan's Caribbean Plan

The Reagan Administration's Caribbean Basin Economic Recovery bill should be rejected because it would weaken U.S. industries and add to unemployment, the AFL-CIO testified.

A House Foreign Affairs subcommittee is considering the President's proposal for tariff-free admission of Caribbean goods over the next 12 years—including products primarily manufactured in other nations with a minimal content requirement from a Caribbean nation.

THE ADMINISTRATION package also includes an assortment of tax incentives that the AFL-CIO protested would cost the U.S. Treasury more than $800 million in revenues.

But the "real cost," AFL-CIO Legislative Rep. Stephen Koplan warned, "will be higher U.S. unemployment" and "diminished U.S. investment in our own domestic industries."

Koplan noted that some 87 percent of Caribbean products already enter the United States duty-free under the tariff preferences given to less developed nations. He questioned why Congress would want to virtually wipe out the few job safeguards still in place.

"EQUALLY ASTOUNDING," he testified, is the effort to encourage firms to invest in the Caribbean through the same investment tax credits that Congress enacted last year to increase domestic investments that would create jobs in this country.

The AFL-CIO testimony noted also that all of the "safeguards" in the Administration bill are designed to protect investors. But there is nothing to assure that workers in the Caribbean area benefit from the transactions.

"We believe that a basic requirement for a country to participate in the Caribbean Basin program should be that the workers in that country have the right to form unions and to bargain effectively concerning their wages and terms of employment.

"WITHOUT EQUAL requirements for workers' rights, this legislation only protects the rights of those who invest money, not those who invest their work," Koplan testified.

He termed the Administration trade and tax incentives "ill-conceived" and "unthinkable" at a time of 9 percent U.S. unemployment. Congress should "send the Administration back to the drawing board to design a more thoughtful plan of assistance," Koplan suggested.

Tax Law Change Pressed to Bar 'Contractor' Ruse

Tax laws governing independent contractors should be tightened to protect workers from the "machinations" of employers and avoid revenue loss to the government, the AFL-CIO urged.

Legislative Rep. Stephen Koplan told a Senate Finance subcommittee that employers have abused lax tax laws by reclassifying workers as independent contractors in order to evade legal obligations and avoid payroll taxes.

HE NOTED that employees who are shifted to independent contractor status lose eligibility for unemployment compensation coverage, must pay social security tax at the higher self-employed rate, and lose the right to collective bargaining.

"Equally important," he testified, "laws safeguarding workplaces, establishing standards for working conditions, providing workers' compensation, and affording protection from discrimination in hiring, promotion and benefits apply to workers only if they are classified as employees."

Koplan noted also the notoriously poor income tax collection record the government has experienced with independent contractors and endorsed legislation to establish a withholding tax system and a clear-cut classification procedure to identify genuine independent contractors.

SUCH TESTS, he said, should include requirements that a contractor have a place of business, employ other workers and perform services for more than one company.

Tax legislation should be drawn so as "to narrowly limit the use of independent contractor status so that employers will be discouraged from circumventing their responsibilities and contributing to the exploitation of workers," Koplan urged.

Food Union Rejects A&P Bid For 'One-Way' Concessions

Stiff demands by the A & P management for wage and work rule concessions were rejected by the Food & Commercial Workers in a sharply worded letter to the company.

The union's response answered a written proposal by A & P's industrial relations vice president, H. Nelson Lewis, for a two-year wage freeze, deferral of wage renegotiations until March 1984 and suspension of established working conditions and standards.

IF THE UNION complied, the company said, it would apply the freezes "equally to all other employees," but Lewis threatened a 10-percent across-the-board wage cut if the demands were not met.

Lewis also said A & P "is unable to guarantee the workforce against future reductions and/or layoffs."

In late 1981, A & P closed 400 stores despite concessions made then to aid the financially ailing retail grocery chain.

In the UFCW's response, Thomas M. Russow, the union's bargaining director, scored the company proposal as "a one-way street that serves your needs and ignores all but the barest employment needs of your employees . . . and provides no security."

RUSSOW ACCUSED the company of "audacity" in making "an extreme proposal without offering your employees even the slightest shred of a guarantee against further reductions in staff or further store closings."

UFCW's 16-member A & P special bargaining committee, appointed by union President William H. Wynn after the wave of store closings, unanimously rejected the employer's demands, Russow said.

He said the committee felt angry and frustrated by the company's demands and pointed out that the union had made clear in previous talks that it "would be glad to cooperate in a viable company-union game plan" if the company "agreed to help itself."

A & P's "track record speaks for itself," Russow said. "You promised there would be no more store closings if we would just make some concessions. We made the concession. You thereupon closed another 400 stores."

THE UNION "might very well give favorable consideration to changes in contract terms . . . when we really know where you are going and what you are doing and why," Russow said.

The UFCW said talks between local unions and stores are still under way, but contract changes made at that level would require approval of the A & P committee.

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Recall Issued On Bonuses To GM Bosses

Detroit—General Motors has put the brakes on a plan to fatten executive bonuses following protests by the Auto Workers that the proposal was "an outrage" when employees were making wage and benefit concessions.

GM Chairman Roger B. Smith in a letter to UAW President Douglas A. Fraser said the company would not go through with plans to hand out bigger bonuses under a system that would have made them easier to get for a larger number of executives.

THE COMPANY'S statement followed on the heels of angry reaction by the union to a bonus-plumping plan outlined in GM's proxy statement to stockholders released Apr. 16 only hours after the UAW and the company signed a new contract calling for $3 billion worth of wage and benefit concessions by union employees.

Shareholders will still vote on the plan, but Smith's letter "negates" new bonuses, Fraser said.

Earlier, he had called the bonus proposal "an absolute outrage, particularly at a time when GM workers have just agreed to substantial sacrifices to help the company withstand the terribly depressed conditions facing the auto industry."

THE NEW contract calls for equal sharing of financial sacrifices by both labor and management.

Bonuses under the new system would have been granted to executives when the company's after-tax earnings topped $1 billion rather than the current level of $1.27 billion.

More executives would have been eligible, and a new incentive plan would have rewarded managers for performance. Because of the industry-wide car sales slump, GM executives have not gotten bonuses for the past two years under the current system.

SMITH'S LETTER now pledges that no new executives will be made eligible for stock options and that management officials will not get any higher bonuses for the life of the contract if the proposal is approved.

The incident, Fraser said, is "regrettable" and shows "a lack of sensitivity."

Six Rail Unions, Amtrak Reach Contract Accord

Six AFL-CIO rail unions reached tentative agreement with Amtrak, the National Railroad Passenger Corp., on a new 39-month agreement covering about half its unionized workers.

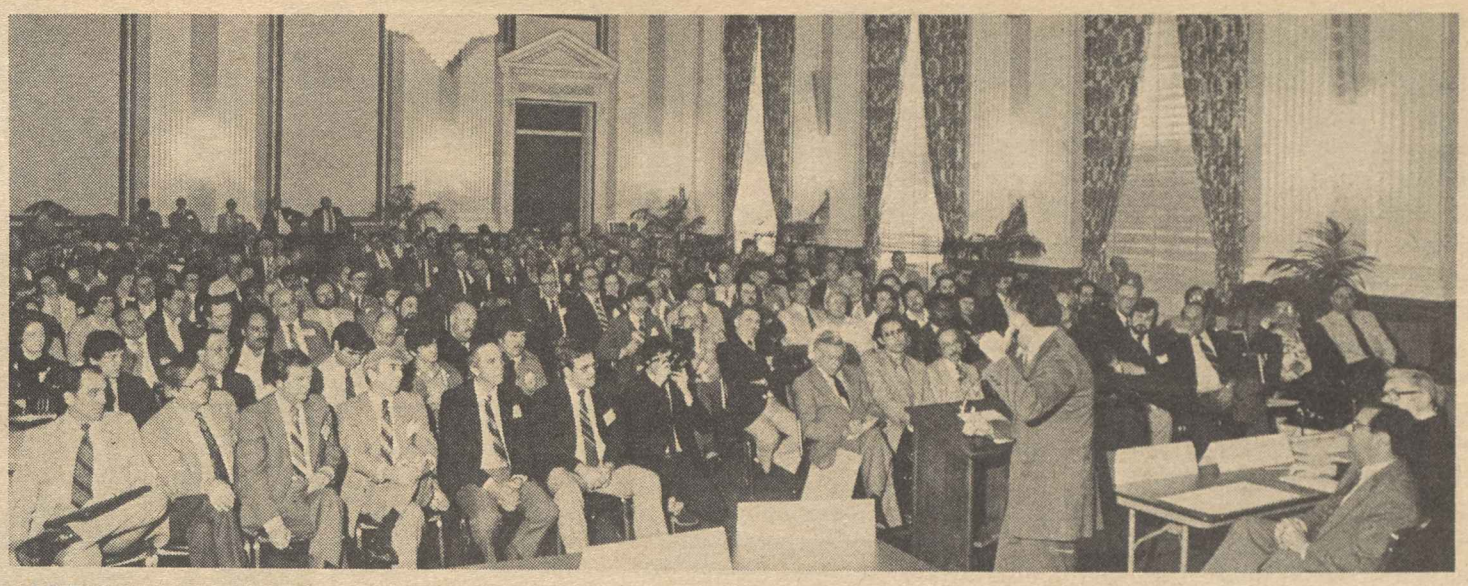
President Richard I. Kilroy of the Railway & Airline Clerks, which represents some 7,500 of the estimated 11,000 Amtrak employees covered by the settlement, said details of the agreement would not be released pending ratification by the membership. Mail balloting on the package is expected to be completed by May 20.

KILROY SAID the agreement, fully retroactive to Apr. 1, 1981, is modeled in many respects along the lines of last fall's agreement between the unions and the nation's major private railroads.

"I am confident that upon learning the details of this agreement, our members will vote their approval," Kilroy said.

Other unions that have initialed the pact are the International Brotherhood of Electrical Workers, Maintenance of Way Employees, Machinists, Boilermakers & Blacksmiths, and the Joint Council of Carmen. The last group consists of Amtrak employees who are members of the Carmen and the Transport Workers, who negotiate jointly with the carrier.

Meanwhile, talks between Amtrak and nine other unions representing 5,000 to 6,000 additional workers are continuing.



OSHA, AUTO CONTENT LEGISLATION, and interest rates were the central topics at the AFL-CIO Industrial Union Dept.'s annual legislative conference in Washington. Sen. Paul Sarbanes (D-Md.), at podium, was one of three liberal Democratic senators facing unusually difficult elections who addressed the conference.

IUD Legislative Conference Pushes Action to Reverse Reagan Policies

(Continued from Page 1)

the Credit Control Act of 1969, which gives the Federal Reserve Board and the President the authority to reallocate credit.

THE MEASURE would encourage the Fed to redirect credit from such nonproductive uses as corporate takeovers and commodity speculation to productive uses —housing construction and home mortgages, new plant and equipment for business, and state and local government infrastructure investment in roads, mass transit, ports, bridges.

Pointing to the need for the bill, Carpenters President William Konyha stated:

"Interest rates won't come down as long as Dupont is able to borrow $3 billion of your mortgage money to buy Conoco. Why should the Hunt brothers be allowed to borrow $1 billion in one week for silver speculation when that money is needed to rebuild the industrial base of this country?"

Konyha was joined in the panel discussion on the economy by Utility Workers President James Joy and three liberal Democratic senators facing strong challenges for re-election: Howard Metzenbaum of Ohio, Donald W. Riegle of Michigan, and Paul Sarbanes of Maryland.

JOY COMMENTED that the three Senate speakers were special targets of the National Conservative Political Action Committee, the right-wing group that boasted it could elect Mickey Mouse to the Congress if it had enough money. "They proved their point and did just that in 1980," he said.

Accusing the Administration of being indifferent to the effects of imports on unemployment in this country, Metzenbaum urged passage of local content legislation that would require foreign auto manufacturers who sell in the United States to build and operate in the United States.

"I used to be a free trader," Metzenbaum said, "but if we can't sell our beef and pork in Japan, then no Datsuns and Hondas should be sold here." The delegates cheered.

SARBANES DREW applause when he said, "If you want to address the problem of the federal deficit, it's very easy—you put the American people back to work." Every 1 percent of unemployment adds $30 billion to the federal deficit, he said.

Each of the senators stressed that the ultimate remedy for dealing with the economic and social problems created largely by the Reagan Administration and its allies in Congress is defeating them on election day in 1982 and 1984.

Riegle, for instance, said "Solidarity Day II has to be on Election Day so we can give Reagan a message."

In a session on occupational safety and health, former OSHA Administrator Eula Bingham said the Administration's proposed 40-percent budget cut "would wipe OSHA out" and that already "OSHA enforcement is in shambles." She urged unions to make safety and health a key issue in the coming elections.

Rep. Joseph M. Gaydos (D-Pa.), chairman of the House Labor Subcommittee on Health & Safety, stressed the need to reverse congressional action in January that exempts surface miners from coverage under the Mine Safety & Health Act (MSHA). The idea was to shift surface mine safety responsibility from MSHA to OSHA, but even Labor Sec. Ray Donovan has admitted OSHA doesn't have the capability to protect some 77,000 surface miners and 46,500 stone milling workers.

OSHA isn't equipped to handle mine safety, Gaydos said, pointing out that 134 surface, stone and gravel miners were killed over the period 1978-1980. Since the exclusion of these miners from MSHA protection in January, OSHA has scheduled only 17 inspections, compared to 1,800 MSHA inspections for the same period last year.

Rep. George Miller (D-Cal.) gave this lobbying advice:

"WHEN YOU'RE lobbying and they ask you about the Hobbs Act and violence on the picket line, you should talk about the violence perpetrated by employers who knowingly expose workers to hazards in the workplace." Miller was referring to right-wing efforts to subject union members to the Hobbs Act, a federal anti-extortion law, for picket-line scuffles.

Operating Engineers President J. C. Turner called attention to the "silent epidemic of occupational disease sweeping across America's work places virtually unrecognized." Every year 100,000 workers die from occupational diseases, and another 400,000 are disabled by them, he said. But only some 5 percent of these dead or disabled victims receive any compensation under state workers' compensation programs.

Steelworkers Vice President Leon Lynch said occupational disease victims should be covered by a comprehensive workers' compensation system, both to relieve their suffering and to act as an incentive for employers to rid the workplace of health hazards.

SPEAKING ON the elections at a conference luncheon, political analyst Peter Hart told the delegates that voters in 1982 will make "mid-course corrections" for Republican mistakes on economic policy, yielding "major gains" to Democrats.

"1982 will be a one-issue election—the health of the economy," Hart said, and voters will "send a message to Washington" that they disagree with the Reagan Administration's policies on unemployment, inflation, and high interest rates.

Local Auto Content Proposal Seen Source of a Million Jobs

Close to a million jobs in the auto and auto-related industries are at stake in labor's effort for passage of auto content legislation.

The Fair Practices in Automotive Products Act now before Congress would require that autos sold in U.S. markets include a set percentage of American-made content (parts and labor). So far, it has picked up 190 co-sponsors in the House, just 28 short of a majority, and 10 in the Senate.

ON THE DAY before its legislative conference, the AFL-CIO Industrial Union Dept. held a special conference on the auto local content bill, bringing together about 250 delegates from unions in the Coalition of Auto Component & Supply Workers to beef up lobbying efforts in support of the bill.

"This legislation would aid the American economy by shifting the bulk of auto production to American workers and communities," said IUD President Howard D. Samuel. "It makes no sense for the U.S. to maintain virtually unlimited access to our markets while our access to the markets of other countries is restricted, at a cost of hundreds of thousands of American jobs."

President David Fitzmaurice of the Electrical, Radio & Machine Workers pointed out that for every unemployed production worker from the Big Three auto makers, there are at least two workers laid off in the auto support industries—electrical, steel, plastic, textile, rubber, glass and others.

AUTO WORKERS Vice President Martin Gerber said passage of the content bill would mean jobs for 117,000 more auto workers than at present and 146,000 more American workers employed by foreign car manufacturers, plus 605,000 more among independent suppliers.

President Dominick D'Ambrosio of the Allied Industrial Workers, provided a dramatic example of how and why employment in auto-related industries has plummeted.

Members of AIW Local 857 make steering wheels for cars at the Sheller-Globe plant in Portland, Ind. In 1976-1977, the bargaining unit had about 500 members. Today the company is in the process of closing down the plant and the local is down to 49 members.

THE DROP in auto sales wasn't the only factor involved in the company's decision to shut down that plant, D'Ambrosio explained.

"Just last week, we learned that the company had acquired a major interest in a British company that makes—you guessed it—steering wheels."

Political speakers at the conference included chief sponsors of the auto content bill from the Senate and House: Senator Wendell H. Ford (D-Ky.), and Representatives Richard L. Ottinger (D-N.Y.) and Barbara A. Mikulski (D-Md.).

Standing Up on the Hill

THAT WAS GOOD news from Capitol Hill when the so-called bargaining session between President Reagan, the Republican and Democratic congressional leaders broke up with no agreement.

The Democrats came close to buying a very bad deal from the Republicans, a deal that would have compromised away some of the basic elements of fair public policy.

Ever since the Republicans took over the White House and the Senate last year, the Democrats have been floundering around trying to find a rock of principles on which to take a stand.

Last year, the Democrats became mesmerized by the false attractions of the giveaway tax policy initiated by the President and his most conservative supporters.

The Democrats tried to out-bid the Republicans in punching holes in the tax system to satisfy the greed of the major corporations and rich individuals. They split in disarray and permitted the Republicans to chop and slash away economic, social welfare, training and educational programs which had helped to reduce poverty and ignorance and provided a true safety net for the disadvantaged in our society.

NOW, IN THE second year of Reaganomics, when everyone in the country can see the disastrous, cruel effects of trickle-down, voodoo policies, the Democrats have shown a modicum of courage.

They finally got the President himself to enter the round of budget talks after putting up with the charade of negotiating through staff assistants. They got Mr. Reagan to admit, at least tacitly, that the budget he sent to Congress earlier this year was a hoax; it had no chance of winning approval even with most of his own party, and was compounded of such straw and paste that it couldn't survive even a mild examination.

The Democrats will have to stand up to Republican attacks for failing to take the alleged compromise Mr. Reagan offered them. They will be on the defensive, again, unless they can somehow rally around the basics of a sound, fair and high-principled set of policies.

Earlier this year, the AFL-CIO offered an alternative economic package that has as its base those principles. These include a restoration of fairness in the tax system; maintaining the integrity of the social security system; halting the destruction of social welfare programs, and starting a direct attack on the single biggest problem the nation faces, post-war record high unemployment.

IT ISN'T EASY for Congress to write a budget and make economic policy in the best of times; it is more difficult when the Administration remains enamored of a discredited set of ideological theories.

A good place for the Democrats and liberal Republicans to start would be a return to the agreed basis for public policy that every president from Franklin D. Roosevelt through Jimmy Carter accepted.

This is the concept that the federal government bears ultimate responsibility for the common good and welfare of all Americans. This calls for a policy that puts people ahead of ideology; it demands direct action to put Americans back to work. Congress must adopt this concept as its own, because the White House has abdicated that responsibility.

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'Probing for the Trough'

Official Double-Talk Translates Into Real Trouble for Economy

By Gus Tyler

THINGS ARE GOING from bad to worse in our economy. That's the fact. But if you hearken to the way this plain truth is put into officialese, the twisted language of various spokesmen for the Administration, you would think that we are on the high road to recovery. Consider this rhetoric pretzel, for instance, coming from Robert G. Dederick, Assistant Secretary of Commerce for Economic Affairs:

"The economy is probing for the trough, and this is an indication that the upturn is not here."

LET'S TRANSLATE this into plain prose. "The economy is probing for the trough" means that we're on the way down. "The upturn is not here" means that we're not on the way up. Put the whole sentence together and it says that because we are on the way down, we are not on the way up. Get it?

Implicit in all this circumlocutious locution is the premise—actually the implied promise—that "the upturn" is someplace out there, although for the moment is "not here" because the derned "economy is probing for the trough."

The last time we started our descent into the ever-descending trough, the then President of the United States tried to talk the country out of the fall. "Prosperity is just around the corner," he announced. And the next month there was another corner to turn.

AND TALK THERAPY is not working now. The Administration announced that in the first quarter of 1982, the economy would shrink by four-fifths of one percent; instead it tumbled downhill by 4.5 percent.

In February, Secretary of the Treasury Donald Regan said the economy would "come roaring back in late spring." But then the President said we would begin to pick ourself up sometime between July and December.

Meanwhile, the fatal facts come pouring in:

Phelps Dodge, the country's second largest copper producer, announced that it will be closing its plants until June 1. This means that 3,800 employees will be laid off—until some indefinite time. Copper is used in housing (depressed), in autos (depressed), in making capital goods (depressed).

Easter sales fell way behind. "Thank God," said one retailer, "for doctors, dentists and lawyers. They still are buying."

But then the Wall Street Journal runs a story on how people are so broke that they can't afford dental work. Unemployed auto workers have lost heatlh coverage and are not going to doctors.

Meanwhile, Mr. Dederick says that although we are still falling, "the rate is slowing." In other words, we will be starting up again—sooner or later.

BUT WHAT'S to bring the "upturn" if copper mills are closing, if bankruptcies doubled in the last year, if banks are going bust, if people can't buy, if they can't even afford to bring their decay to dentists or their pains to doctors?

So what will turn it around unless, maybe, they go to the polls once more—to re-elect Roosevelt?

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Credit and Blame—Two Sides of the Coin

The White House would prefer to forget how much the recession and reduced inflation are sides of the same coin.

Larry Speakes, the President's spokesman, sought to take credit for the good news on Friday, tracing it to "our consistent economic policy, which has cut the rate of increase in federal spending, our support of a stable monetary policy and our policy of non-intervention in the marketplace.

That was a curious statement from a White House that keeps on insisting that its economic policy won't even begin to have a real effect until July. If the Reagan Administration wants to take credit for reducing inflation, it also has to take the blame for the recession.

It was President Reagan's stubborn insistence on a multi-year tax cut that forced the Federal Reserve Board to attack inflation by engineering a slowdown. For the past year, tight monetary policy and the resulting high interest rates have been Washington's only anti-inflation policy.

No one questions the power of a recession to beat back inflation. But that is a crude victory and a costly one, especially for the 9 million thrown out of work in the process.

—From a New York Times editorial, Apr. 25, 1982.

McBride Warns Congress

Imports, Recession Endanger Survival of U.S. Steel Industry

Following are excerpts from testimony by Steelworkers President Lloyd McBride at House hearings, Apr. 26, 1982:

THERE IS NOT another industry that has been as thoroughly studied in the past five years as the steel industry.

We studied while 100,000 steel jobs disappeared and 10 million tons of steel capacity was dismantled or set aside.

We studied while about 100 million tons of foreign steel entered the U.S. market—much of it that should have been produced in American steel plants.

The current economic situation has made steel's problems even more oppressive. The failure of President Reagan's economic program has added injury to economic distress. We did not boast about the state of the economy before the Reagan presidency; but we were better off then than we are now. There were nearly two million fewer unemployed workers in America. There was no effort to redistribute income to the corporations and wealthy individuals on the cynical and erroneous theory that all Americans will benefit.

THE PRESIDENT sought and obtained tax relief for corporations so they would invest in new plant and equipment. This has not been forthcoming because his economic policies have brought about more idle capacity in our nation. The steel industry is operating at less than 60 percent of capacity.

The Administration's policy of high interest rates has dealt this economy a severe blow: a job-killing recession with ten million unemployed Americans. Reagan's policies have made even more remote the objective of rebuilding America's industrial base.

There are those who speak glibly of our being a service economy, and of the diminished need for a large industrial base in America. There are those, too, who have virtually written off the steel industry in the United States as incapable of competing in our own steel market. These critics have done this nation, the industry, and American steelworkers a disservice in promoting such nonsense.

IT IS TRUE that we cannot compete if foreign steel-producing nations play by one set of rules and we play by another. We are expected to adhere to the rules of a market economy; but we do not insist that others do so.

The price of a product must cover the cost of producing and distributing that product, plus a reasonable profit. I submit to you that if a product is priced below cost as a means of garnering a market that this is unfair competition and a violation of market principles.

Yet we have been told that if the taxpayers of another country are willing to subsidize an industry's output, we should welcome the cheaper products in our market. That kind of thinking is not only wrong; it is dangerous. We would soon find that the U.S. industrial base would be vulnerable to the decisions of foreign governments about which of their industries they wish to promote. By subsidizing inefficient industries, foreign governments could undermine more efficient U.S. industries. Our plants and our jobs would be affected by political decisions elsewhere, not market principles. That has been true in the past, as it is today.

THIS IS NOT an idle hypothesis on my part. We have efficient steel plants and steel companies on the brink in this country in part because of dumping and subsidization of steel operations abroad. A recent Congressional Budget Office study of steel operating profits and losses in the past eight years shows the U.S. major producers to be profitable in six of the eight years, West Germany in two of the years, France in one year, Japan in four years, and Great Britain with a loss in each of the eight years.

I cannot imagine our government being insensitive to the trade problems we face in the U.S. steel industry. Yet how else can we read this critical situation?

The penetration rate of foreign steel in the U.S. market exceeds 25 percent. One out of four tons of steel consumed in the U.S. is produced in foreign mills, while more than 80,000 steelworkers here are on layoff. We have steelworkers who have exhausted state unemployment benefits, are ineligible for trade adjustment assistance, and are without supplemental unemployment benefits in most of the large companies because funds are exhausted. Entire steel communities are hard hit.

Government has a responsibility to provide a favorable economic climate within which industry and labor can have a chance to accommodate to the problems that are within our ability to resolve.

Inaction by government impacts on our economic welfare just as surely as action of the wrong sort. An eighteenth century economic philosophy is no substitute for the creative role that the federal government must play in achieving and maintaining a strong and viable economic system.

System Basically Sound

Social Security Trustees Use Scare Tactics in Bid for Cuts

THE REAL BUT correctable funding problems of social security were deliberately overstated in the annual trustees' report to prop up the Reagan Administration's claim that benefits must be cut to keep the system fiscally sound, AFL-CIO Social Security Director Bert Seidman charged in a network radio interview.

Noting that the trustees are all members of the Reagan Cabinet, Seidman said the way they presented their recent report gives the impression "that social security is essentially in very great fiscal trouble, and that the only way to deal with that problem is to cut benefits."

He branded that approach "alarmist and misleading," pointing out that the real strain on the system is "short-range and manageable."

There is every indication that the system will be in good financial shape before the end of the decade and will remain that way well into the next century, Seidman declared. He said that neither the soon-to-be corrected current problems nor those likely to develop over the next 40 or 50 years warrants the kind of cutbacks of retirement benefits and other social security protections that the President has called for.

Questioned by reporters on the AFL-CIO public affairs program Labor News Conference, Seidman said Congress has at hand two ways to correct the very real short-range fiscal problems:

- Extend the authority to borrow among the various trust funds that is scheduled to expire on Dec. 31.
- Authorize borrowing from general revenues—the same kind of borrowing authority "that is being used right now to bolster the unemployment compensation funds."

SEIDMAN POINTED out that current projections show the Social Security Trust Fund "in surplus about 1990," and in a position to repay any loans made now.

"As a matter of fact," he added, "the AFL-CIO would prefer, not borrowing authority, but actual contributions from general revenue to the social security system"—a procedure that is used all over the world by other countries.

Reporters questioning Seidman on Labor News Conference were D'Vera Cohn of United Press International and Chris Connell of the Associated Press.

THE ALARMIST and misleading approach of the social security trustees' annual report was a deliberate overstatement of real but correctable problems intended to prop up the Administrations claim that benefits must be cut to keep the system fiscally sound, AFL-CIO Social Security Director Bert Seidman, center, said on Labor News Conference. Questioning him were D'Vera Cohn of United Press International and Chris Connell of the Associated Press. The AFL-CIO produced public affairs program is aired weekly on the Mutual radio network.

Washington Window

By Press Associates, Inc.

THE RESULTS of the 1980 Census, delayed by budget cuts and government worker layoffs, have begun rolling in.

The preliminary information offers a "snapshot" profile of a restless people and ever-changing society.

The Census Bureau's summary report, based on a survey of 3.5 million people, spells out trends that were apparent during the turbulent 1970s. It also provides some surprises.

These are the highlights:

- The population totaled 226.5 million, up from 203 million in 1970.
- The number of families headed by a single parent and households of non-related individuals rose dramatically. One-parent families grew from 12.3 percent of all households in 1970 to 19.1 percent in 1980. Non-family households, including persons living alone, jumped from 19.7 percent to 26.7 percent.

THE GROWTH of one-person households reflects increased separation and divorce, the postponement of marriage by many young adults, and increased numbers of older persons living alone after being widowed.

- Americans were more mobile than ever. By 1980, some 64 percent of us were living in our state of birth. In 1970, it was 68 percent. At the turn of the century, almost 79 percent stayed put.

During the decade, many migrated from the Northeast and Midwest to the Sunbelt states in search of jobs and retirement homes.

- Despite skyrocketing gasoline prices, only 6.3 percent of the workforce rode public transportation to work in 1980, down from 8.9 percent in 1970.

While some attribute this to Americans' love affair with the automobile, a better explanation is inadequate public transportation. Nearly two-thirds of those surveyed drove to work alone. Nearly 20 percent belonged to carpools.

- The civilian labor force grew by 24.5 million persons, with the number of women workers rising by over 14 million, or more than 46 percent. By 1980, half the women of working age held jobs, up from 41 percent in 1970.

WOMEN SOUGHT careers and non-traditional jobs as the women's movement began breaking down old barriers and attitudes. Many had no choice but to work.

- Median household income, when adjusted for inflation, showed virtually no change. Median dollar income for families, which increased 98.3 percent over the decade, was $16,830 in 1980.

Differences in family income were significant among population groups. In 1979, the median income was $20,840 for white families; $12,618 for black families; $14,711 for families of Hispanic origin.

- One in eight Americans was poor—27.5 million persons in 1979 by government definition. This was fewer than in 1969, when one in seven was impoverished. Anti-poverty programs, beginning with Lyndon Johnson's Great Society and including social security increases, did make a dent in the problem.

The national poverty rate in 1979 was 9.4 percent for white persons; 30.2 percent for blacks, and 23.8 percent of Hispanics.

- Americans are better educated than ever. Nationally, 66.3 percent of those 25 years old and above were high school graduates in 1980, compared with 52 percent in 1970 and 41 percent in 1960. Also, 17 percent had completed at least four years of college in 1980, up from 11 percent in 1970. The 1980 Census was the first to show that in every state a majority of the population had completed at least four years of high school.

AFTER ONE YEAR OF REAGAN

DAMAGE REPORT FOR AMERICAN WORKERS

Conservatives in Congress and the White House show a hard-hearted reaction to the economic disaster they have brought to the nation.

UNEMPLOYMENT

"Is it news that some fellow out in South Succotash someplace has just been laid off?" President Reagan asked, as he complained of unfavorable press reports.

No, one unemployed fellow does not a news story make. But 9.9 million unemployed, the highest number since the Great Depression—that's news, and bad news for working Americans. And when the 5.7 million workers forced to take only part-time work, and the 1.3 million discouraged job-seekers are added, nearly 17 million Americans are suffering from the Reagan recession.

Two million people have lost their jobs since the recession began in July 1981. The construction industry is suffering a full-fledged depression, with a 17.9 percent unemployment rate. Other figures:

Unemployment Rates

Blue-collar:	12.9%	Manufacturing:	10.8%
Blacks:	18.0%	In Michigan:	16.1%
Teenagers:	21.9%	Washington:	12.4%

The Reagan Administration has shown a remarkably hard-hearted reaction to the economic disaster it has brought to the nation. The President advised the jobless to search the "help wanted" classified ads, but failed to note that almost all the job offers require a high degree of technical training. The job training programs that could have helped some of the unemployed learn new skills were decimated by Reagan budget cuts. Nearly 200,000 training positions were cut, in addition to the 340,000 public service jobs eliminated in the Republican budget.

Adding insult to injury, the cuts reduced regular unemployment benefits by $1.6 billion and nearly eliminated Trade Adjustment Assistance for workers laid off due to government policies that encourage imports.

JOB SAFETY

Shortly after taking office, the Republican Reagan Administration launched an all-out attack on worker safety and health protections. To employers who can read between the lines, the message is clear: No need to worry about enforcement of safety and health rules by the Occupational Safety and Health Administration.

To begin with, the Reagan budget cut OSHA funding 8 percent, or 15 percent after allowing for inflation. The results:

OSHA inspections:	Down 21%
Follow-up inspections:	Down 72%
Penalties:	Down 48%
41 OSHA Field Offices to be closed	
MSHA penalties:	Down 27%
Mining death toll:	153, Up 15%

The Reagan message to employers: Forget about OSHA.

In addition, the Reagan Department of Labor, instead of proposing new solutions to new safety and health problems, began removing protections already in place. For Example:

13 Million Lose Protection: As of Oct. 1, 1981, three out of every four manufacturing firms are exempt from routine OSHA safety inspections. Thus the employers of 13 million workers lost the major incentive to maintain safe jobsites.

Worker Complaints Ignored: As of Feb. 1, 1982, the Reagan Administration OSHA does not always send an inspector in response to a worker's complaint of a hazard. In about half the cases OSHA will just send a letter to inform the employer of the complaint.

Gutting Standards: Recent petitions for emergency action on three chemical hazards have fallen on deaf ears. Reagan's OSHA has attempted to weaken the cotton dust standard, the cancer standard, and medical-records access standard. The lead standard was weakened, the hearing conservation standard watered down, and the "right to know" chemical plan withdrawn.

PROGRAMS DESTROYED

Many policies of the Republican Reagan Administration can be explained in terms of dollars—shifting hundreds of billions of dollars from middle- and low-income Americans to the wealthiest individuals and corporations. As the charts below show, Reagan budget cuts hit hardest at working Americans, while the Reagan tax cut benefits the wealthy:

Reaganomics means windfalls for the wealthy, and hardship for the rest of us.

Reagan Budget Cuts Hit Workers

Program	Cuts Enacted
Total, all programs:	−$40 Billion
Unemployment Comp.:	−$1.6 Billion
Trade Adjustment:	−$1.4 Billion
Job Training:	−$1.6 Billion
Public service jobs:	−$2.1 Billion
Housing:	−$9.0 Billion
College grants:	−$0.5 Billion
Other education:	−$0.5 Billion
Medicare:	−$1.0 Billion
Railroads:	−$1.4 Billion
Federal pay:	−$3.7 Billion
Federal retirement:	−$0.5 Billion
Child nutrition:	−$0.7 Billion

Reagan Tax Cut Benefits the Rich

Income	Tax Cut in 1983
$10,000	$111
$20,000	$371
$30,000	$744
$40,000	$1,188
$120,000	$5,324

Family of four, one wage earner, 23% personal deductions

And the unfairness of the income tax cut is just the beginning:

- Estate and gift taxes were nearly eliminated—a special windfall for millionaires and near-millionaires.
- One example of the corporate tax cuts: General Electric, which had profits of $2,660,000,000 in 1981, will get a tax refund payment from the government of more than $90 million.

In filling government posts, the Reagan Administration has drawn heavily from the ranks of anti-worker groups.

UNION-BUSTERS

The Reagan Administration has demonstrated another strategy in its attack on worker programs: appointing people with anti-worker backgrounds to direct those programs. For example:

Union-Buster at NLRB: President Reagan's nomination for Chairman of the National Labor Relations Board was John Van de Water, a "management consultant" who helped employers defeat at least 125 union organizing campaigns. Van de Water's advice to employers pushed to the breaking point the laws prohibiting unfair labor practices.

"Right-To-Workers" at DOL, OPM, HHS: In filling government posts, the Republican Administration has drawn heavily from the ranks of the National Right to Work Committee and its Legal Defense Foundation, the employer-front groups that fight union security laws and finance lawsuits against unions:

- Right-to-Work Legislative Director Hugh Reilly was given a top post under Assistant Labor Secretary Donald Dotson, who is in charge of overseeing union finances and pension funds.
- Former Right-to-Work consultant Donald Devine now manages federal hiring as director of the Office of Personnel Management.
- Former Right-to-Work Vice President Andrew Hare was given a top legislative affairs post at the Department of Health and Human Services.
- Former Right-to-Work editor Michelle Easton was appointed staff attorney to a Department of Justice program, from which she transferred to the Department of Education.
- Baker Armstrong Smith, former director of the anti-union Center on National Labor Policy, was appointed to a labor relations post at the Department of Housing and Urban Development.

ANTI-LABOR LAW

Right-wing elements in the Congress have long sought the destruction of laws enacted in the past 50 years to provide American workers and retirees with a measure of security and dignity. Congress' focus on economic issues left little time in 1981 for this agenda, but conservative Republicans seek to push back the clock on workers' rights this year:

Anti-Worker Hobbs Amendments: If amendments to the Hobbs Act are passed, a striker who threw a punch on a picket line could receive up to a 20-year sentence in a federal penitentiary, despite adequate state laws now on the books.

Conservatives in Congress are determined to turn back the clock on worker protection laws.

Davis-Bacon—Prevailing Wages: Conservatives in Congress were unsuccessful in their efforts to remove Davis-Bacon provisions from federal contracts in 1981. But the Reagan Department of Labor weakened the rules used to enforce the law, which requires fair wages on federally contracted construction.

Walsh-Healey—Eight-Hour Day: The Walsh-Healey Act provides for an eight-hour day on federally contracted jobs, thus serving to support America's oldest labor standard. The Republican right wing would like to allow 10-hour days without overtime pay.

Workers' Comp.—Longshore Act: The best workers' compensation law in the nation, the Longshoremen's and Harbor Workers' Compensation Act, faces the possibility of devastating "reforms."

Pensioners Targeted, Too: Business-backed legislators want to weaken the Employee Retirement Income Security Act (ERISA), which prevents hardship when private pensions go under due to poor management or company failure.

The material on this page was prepared by the AFL-CIO Department of Legislation; Ray Denison, director.

Honda Agrees To Drop Fight Against UAW

Marysville, Ohio — The Auto Workers and Honda of America have "resolved all outstanding unfair labor practices matters" at the company's motorcycle plant here, the UAW and the company announced.

Honda agreed not to fight two decisions handed down by the National Labor Relations Board ordering bargaining with a UAW unit already in the plant and striking down a company policy against wearing union insignia on the job.

THE AGREEMENT means the Japan-based company will recognize the union as the bargaining agent for four boiler operators at the plant and begin bargaining for a first contract.

The operators had voted for UAW representation in July 1981, and the NLRB had ruled against company claims that it should not have to bargain because the election should have included all employees at the plant.

The company has pledged to remain "neutral" on future UAW organizing efforts, the statement said.

Also, Honda will change its policy, ruled a violation of federal law by the NLRB, that had prohibited union supporters from wearing UAW baseball caps or other emblems on the job.

THE ISSUES were settled "as a result of informal discussions," the joint statement said, adding that both sides "are confident there will be no need to use the NLRB in the future to resolve disputes."

About 400 workers now make Honda motorcycles at the plant here which opened in September 1979. An adjacent auto-making facility now under construction will employ over 2,000 more workers by early 1983.

In the statement, the UAW commended Honda for being the first Japanese company to build cars in the United States.

Honda said it anticipated a "cooperative" relationship with the UAW. The firm promised "neutrality" on a union representation choice.

SHUTDOWN OF BROOKLYN'S federal Occupational Safety & Health Administration office is protested by New York area trade unionists. It was one of more than 40 OSHA facilities across the country closed under a "reorganization plan" by Assistant Labor Sec. Thorne G. Auchter. Joining in the Brooklyn protest, coordinated by the New York Committee for Occupational Safety & Health, was Sen. Daniel P. Moynihan (D-N.Y.). The shutdowns reduce OSHA facilities from 124 to 82 and eliminate 372 enforcement positions.

CLUW to Prepare Women For Union Leadership Roles

The Center for Education & Research of the Coalition of Labor Union Women has launched a project to help more women move into leadership roles in their unions.

The two-year "empowerment project" will be funded by a $235,000 grant from the Carnegie Corp. of New York, CLUW President Joyce D. Miller announced. Miller, an AFL-CIO vice president, also chairs the center's board, and she is a vice president of the Clothing & Textile Workers.

THE CLUW center will develop a model training program and materials keyed to strengthening the leadership skills of union women. The model program will be introduced nationwide through unions and university labor education systems, Miller said.

The education project, Miller said, "will help union women learn the skills to bargain on provisions like pay equity and child care in their contracts," and teach them "how to take an active part in their unions and to become effective union leaders."

WOMEN MAKE UP 25 percent of union membership in the United States but hold only 12 percent of the leadership positions in their organizations, Miller said.

The project's director, Ellen Wernick, said the materials now being prepared will include topics such as techniques for building political skills; how unions function and are administered; and developing leadership skills. Both print and audio-visual programs will be available.

The center expects to hold a national conference in late 1982 to introduce the model program to officers, education directors and women's activities directors of unions and to members of the University & College Education Association.

A series of regional conferences is also planned to provide technical assistance to unions and labor educators interested in conducting training programs. The model program and the supporting materials will also be distributed to CLUW chapters.

MILLER emphasized that some unions and universities are already conducting leadership programs for women trade unionists, "but there need to be more."

CLUW's research, she said, "shows that union women generally do not participate in union leadership training programs, and that there is realtively little institutional support for programs specifically for union women."

The CLUW project "brings together union leaders, labor educators and rank-and-file union women to address these problems and to work together toward the empowerment of union women," Miller said.

Drozak Hits Reagan Stand On Cargo Bill

New Orleans—The Reagan Administration has done "nothing significant" to improve the maritime industry since taking office 15 months ago, Seafarers President Frank Drozak charged in a speech at Tulane University here.

"The long-awaited promotional program has finally reared its ugly head. It is a non-policy," Drozak told a Tulane Foreign Trade Institute meeting.

AN APR. 19 letter from Transportation Sec. Drew Lewis to Congress discarding the President's seven-point maritime program makes the Administration's intent "crystal clear," Drozak said.

He noted that the letter expresses the Administration's opposition to the only major initiative to strengthen the U.S.-flag dry bulk fleet as set forth in the Maritime Dry Bulk Trade Act, which is part of the House Merchant Marine Committee's port development bill. The legislation would guarantee that American-flag ships get a substantial share of U.S. bulk trade.

"This promotional effort is the one existing hope of building a bulk fleet and, in turn, of revitalizing a key sector of the maritime industry," Drozak said.

THE STATE DEPT. is concerned that enactment of the proposed Maritime Dry Bulk Trade Act may have a negative effect on U.S. foreign relations, Drozak noted.

"Bear in mind, the President himself said that what the United States must do is 'recognize the challenges created by cargo policies of other nations. . . . A major goal of the United States must be to insure that American-flag ships carry an equitable portion of our trade'," Drozak quoted.

"The Maritime Dry Bulk Trade Act would fulfill the President's own promises —at no cost to the federal government or the American taxpayer."

SO FAR, the only positive step toward helping the ailing industry has been support of regulatory reform, which the Seafarers favor. It is essentially a housekeeping chore, however, and fails to build a single new ship or create a single new job, Drozak pointed out.

He urged the Administration to come out with a "real program" centered on a cargo policy including bilateral shipping agreements with U.S. trading partners.

Labor Studies Center Lists Institute Schedule for May

Four labor studies programs highlight activities at the George Meany Center for Labor Studies during May. They will cover safety and health, issues in the economy, newswriting and editing for union publications, and mini-computers for local unions.

Six AFL-CIO affiliates will use the campus for their own staff training during the month, and the American Institute for Free Labor Development will also use the campus. The schedule:

Occupational Safety & Health, May 9-14—An institute to equip union officials with skills necessary to respond to workers' problems with chemical and physical hazards at work. Participants will be coached in the nature and causes of occupational diseases.

Issues in the Economy, May 16-19—A background program co-sponsored with the AFL-CIO Dept. of Economic Research emphasizing alternatives to supply-side theory. Topics will include federal budget, tax policies and monetary policies to control inflation and achieve high employment, output and productivity.

Newswriting & Editing for Union Publications, May 16-21—A workshop for union editors on how to make their publications more readable, more credible, and more useful to union members. The International Labor Press Association is co-sponsor of this workshop.

Mini-Computers for Local Unions, May 24-26—A program to help local unions find the right hardware and software for their needs, get the best system for the least money and plan conversion from manual to automated systems.

Affiliates using the Meany Center campus for their own leadership training during May are the Clothing & Textile Workers, May 2-7; Operating Engineers, May 7; Carpenters, May 9-15; Railway & Airline Clerks, May 16-21; National Football League Players Association, May 23-27; AFL-CIO Building & Construction Trades Dept., May 23-28.

The AIFLD will bring 40 Spanish-speaking trade union officers to the campus for its 103rd class beginning May 3 and continuing until June 12.

Information on these and other labor studies programs may be obtained from Fred K. Hoehler, Jr., executive director, George Meany Center for Labor Studies, 10000 New Hampshire Ave., Silver Spring, Md. 20903. Telephone 301/431-6400.

Peter Harrison Dies, Midwest Field Staffer

Harvey, Ill.—Peter J. Harrison, an AFL-CIO field representative since 1961, died Apr. 22 at Ingalls Memorial Hospital after heart surgery. He was 60.

Harrison, who was with the federation's Region I staff based in Westchester, Ill., came out of the Paperworkers. His recent assignments included the coordination of a Machinists' organizing campaign and assistance for Air Traffic Controllers.

In a message to his family, AFL-CIO President Lane Kirkland and Sec.-Treas. Thomas R. Donahue noted that Harrison made a vital contribution to the labor movement during his two decades on the federation's staff.

In addition to his wife Connie, Harrison is survived by a son and a daughter.

Matsunaga Fills Democratic Slot On Labor Panel

Sen. Spark M. Matsunaga of Hawaii has been appointed to a Democratic vacancy on the Senate Labor & Human Resources Committee, and AFL-CIO Legislative Director Ray Denison said he will be "an excellent addition."

Matsunaga, who has served in the Senate since 1976 after 14 years in the House, has an 85 percent "right" voting record by AFL-CIO standards—putting him in the mainstream of Senate Democrats. He fills the vacancy left by the resignation of Harrison A. Williams (D-N.J.) earlier this year.

HIS APPOINTMENT restores the committee ratio to 9 Republicans and 7 Democrats—and an almost even division between conservative Republicans and a bipartisan moderate-to-liberal coalition.

The New Jersey Republican named to succeed Williams in the Senate, Nicholas F. Brady, was assigned to the Armed Services Committee and the Banking, Housing & Urban Affairs Committee. In both cases, the committee ratios shifted to give the Republicans a 10-8 majority on Armed Services instead of 9-8 and a 9-7 majority on Banking, up from 8-7.

The resignation of Williams also left a Democratic vacancy on the Banking Committee, which was filled by Sen. Jim Sasser of Tennessee.

'Hispanic Solidarity'

Latin Unionists Stress Registration, Vote Goals

Los Angeles—"Hispanic Solidarity" set the theme of the 4th national membership meeting of the Labor Council for Latin American Advancement (LCLAA), as delegates placed emphasis on registration and get-out-the-vote campaigns for the 1982 elections.

AFL-CIO Sec.-Treas. Thomas R. Donahue and Sen. Edward M. Kennedy (D-Mass.) topped a list of speakers that included President Cesar Chavez of the Farm Workers, Representatives Edward Roybal (D-Calif.) and Robert Garcia (D-N.Y.); Tony Bonilla, president of the League of United Latin American Citizens (LULAC); and Carmela Lacayo, national executive director of the Asociacíon Nacional Pro Personas Mayores. Margo Albert, the actor and Hispanic community leader, spoke at the banquet at which Donahue was keynoter.

DONAHUE UNDERLINED the importance of this year's elections by urging the delegates to make themselves felt on the next Solidarity Day—Election Day, Nov. 2, 1982.

He called particular attention to states with such Hispanic populations as 40 percent in New Mexico, 19 percent in Arizona, 18 percent in Texas, 16 percent in California, all of which have Senate races this year.

But he also cited states like Utah, "where we hope a very tight race will develop against Orrin Hatch, who has done us untold mischief as chairman of the Senate Labor Committee during the 97th Congress, and votes against us 90 percent of the time."

DONAHUE POINTED out that while Hispanics have only 4 percent of the population, Utah has a potential Hispanic vote of more than 30,000, which could make a difference in the election. The same could be true in other states, Donahue said.

Delegates were joined by Hispanics of the community, including entire families, in the overflowing convention hall to hear Sen. Kennedy, who hailed "this demonstration of Hispanic Solidarity."

Kennedy denounced the Reagan Administration's "supply-side zealots" at the Office of Management & Budget "and its new right allies in Congress," charging that they are seeking to turn back the clock on all the progress of the past.

"LET US send them a message that they cannot misunderstand," Kennedy said. "The social, political and economic gains won in the decade since LCLAA was founded must not be rolled back. The current round of unjust Reagan budget cuts must not be enacted into law."

LCLAA President Henry L. Lacayo sharply attacked President Reagan for engaging in a form of double-talk that Lacayo called "Reaganspeak."

"Reaganspeak is telling a group of workers that unemployment is going down when it is going up," Lacayo said. "Reaganspeak is telling college students who drop out because of sharp cuts in student aid that federal aid to education is not being slashed.

"Reaganspeak is telling the elderly that nothing is going to happen to social security, while at the same time cutting it up in budget sessions.

"REAGANSPEAK is when you promise so-called safety nets for the truly needy and then push Reaganomics, which is creating a new class of poor out of the middle class, which is added to the old poor, the unemployed, the handicapped, the elderly, women, Hispanics, and other minorities . . ."

Lacayo, director of UAW-CAP, was unanimously re-elected by the council as were Executive Vice President Jack Otero who is a vice president of the Railway & Airline Clerks, and Sec.-Treas. Oscar Sanchez, Steelworkers. Re-elected as vice presidents were Maria Portalatin, Teachers; Manuel Gonzalez, Ladies' Garment Workers; Rudy Mendoza, Communications Workers; J. J. Rodriguez, Food & Commercial Workers, and Alfonso Rodriguez, Carpenters. S. Q. (Chano) Merino, Steelworkers, was elected a vice president to succeed Michael Garcia of the International Brotherhood of Electrical Workers, who did not run for re-election.

HISPANIC SOLIDARITY with emphasis on getting out the vote for the '82 elections was the keynote of the national membership meeting of the Labor Council for Latin American Advancement in Los Angeles. Among those taking part in the sessions were, seated from left, Margo Albert, actor and Hispanic community leader; actor Eddie Albert; AFL-CIO Sec.-Treas. Thomas R. Donahue; and, standing, LCLAA President Henry L. Lacayo and Executive Vice President Jack F. Otero.

Consumer Price Index Drops As Recession Stalls Buying

Consumer prices, heavily influenced by the recession, declined in March for the first time in 17 years, the Bureau of Labor Statistics reported.

The decline of two-tenths of 1 percent in the consumer price index for urban wage earners and clerical workers (CPI-W) followed five months of price rises at an annual rate of about 3.5 percent.

ECONOMISTS attributed the March decline to the recession—now in its ninth month—the Federal Reserve Board's tight-money policies, the worldwide oil glut, and favorable crop developments.

With official unemployment at a post-World War II high of 9 percent, millions of Americans have cut back on buying, and the reduced demand for consumer goods and services has served to pare prices.

Despite lower consumer prices, "real" spendable earnings of production and nonsupervisory workers rose by only two-tenths of 1 percent in March, and were down by 1.6 percent from the year-earlier level. Real spendable earnings are after-tax wages expressed in constant 1977 dollars. BLS said that a decline in weekly hours, reflecting the recession, shaved the gain for inflation-adjusted earnings in March.

THE DECLINE in the March CPI was the first since a drop of one-tenth of 1 percent in August 1965. The CPI has risen 6.8 percent over the last 12 months.

A major factor in the March price picture was a 3.9 percent drop in gasoline prices, which helped bring about a 1-percent decline in overall transportation costs, the third consecutive decrease in this category. There were also substantial declines in food prices, home mortgage rates, and house prices.

Medical care costs rose eight-tenths of 1 percent, reflecting large increases in charges for hospital rooms and prices for prescription and non-prescription drugs and medical supplies. Prices for apparel and personal upkeep rose seven-tenths of 1 percent, entertainment three-tenths of 1 percent, and other goods and services 1 percent.

THE HOUSING component of the index fell three-tenths of 1 percent, following increases in the previous two months. Most of the decline in mortgage interest rates came from the drop in early March in the Federal Housing Administration and Veterans Administration insured mortgage rate, to 15.5 percent from 16.5 percent.

Grocery store food prices fell five-tenths of 1 percent, following increases of 1 percent, and six-tenths of 1 percent in January and February, respectively.

Over the past 12 months, the fastest-rising component of the CPI continued to be medical care costs, up 10.6 percent from March to March.

Steel Union Asks Import Quotas to Halt Job Losses

(Continued from Page 1)

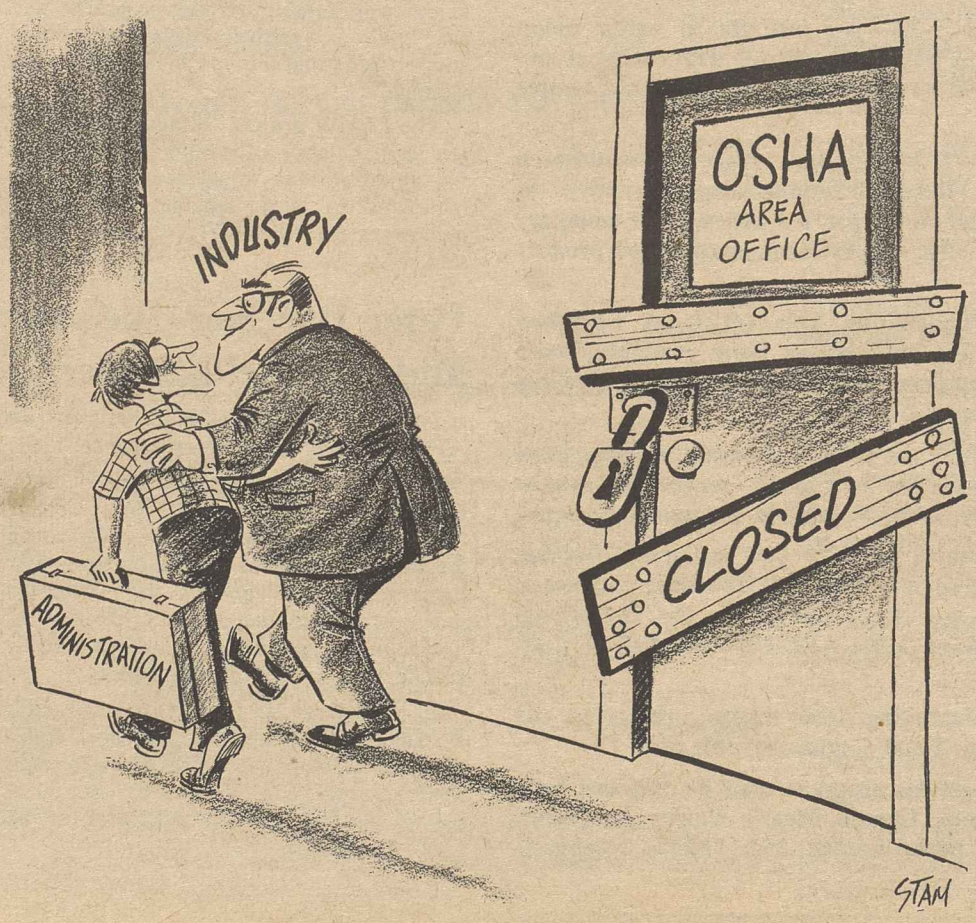
who feel deprived of their right to make a living."

IN A RELATED area, the union and 11 specialty steel companies filed an anti-dumping petition with the Dept. of Commerce covering stainless steel sheet and strip products imported from West Germany.

The petition charges that the steel products are being sold in the United States for 20 percent less than prices to West German customers, with the differential rising to 80 percent in some cases.

A spokesman for the specialty steel industry, Dr. Adolph J. Lena, charged that "dumping" was responsible for a rise in West German specialty steel exports to the United States from 307 tons in 1980 to 15,489 tons last year, with projections of still higher inroads this year.

'You're a Real Handyman!'



Rep. Ashbrook Dies, Leading Conservative

John M. Ashbrook, a champion of conservative causes during 11 terms as a Republican congressman from Ohio, died suddenly at 53 while campaigning for his party's senatorial nomination.

Ashbrook, who had a COPE record of 214 "wrong" votes and only 26 "right" votes on issues important to labor, was the senior Republican on the House Education & Labor Committee. He had been considered the leader in a three-way contest for the GOP nomination to challenge the re-election bid of Sen. Howard M. Metzenbaum.

Rep. John N. Erlenborn of Illinois, who has an identical 11-percent "right" voting record, now becomes the ranking Republican on the Education & Labor Committee.

Correspondence about address corrections should be sent with attached mailing label to: Subscriptions, Room 209, 815 16th Street, N.W., Washington, D.C. 20006.

5/1/82

Tax Bill Embraces Labor's Plan

AFL-CIO News

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SOLIDARITY SUPPORTERS in Warsaw's Old Town demonstrate May 3 for an end to the martial law imposed by the Polish communist government. Hundreds of police and riot troops, backed by water cannons, later teargassed and clubbed the union protesters as they chanted "Solidarity! Solidarity!" The protests flared up throughout Poland.

Key Reforms Would Yield Added Funds

By David L. Perlman

The AFL-CIO and its coalition allies called on Congress to shape a federal budget that would finance recession-fighting programs with tax reforms that would shave tens of billions of dollars from President Reagan's projected deficit.

Labor's revenue-raising reforms were introduced in the House on May 4 by Rep. Thomas J. Downey (D-N.Y.), a member of both the House Budget Committee and the tax-writing Ways & Means Committee.

DOWNEY TOLD his colleagues that the measure, based on the proposals made by the AFL-CIO Executive Council earlier this year, would "recapture sufficient revenues to fight inflation, maintain essential public investments and protections, reduce the deficit and permit a lowering of interest rates." **(Excerpts, Page 5.)**

It would bring in $157.5 billion over the next three years, substantially more than the package put together by Republicans on the Senate Budget Committee. The GOP plan would make up for lessened revenue by cutting $40 billion from social security benefits and curtailing all non-defense programs.

Senate Republicans acted after Reagan went on television to blame Democrats for the breakdown of bipartisan negotiations for a "consensus" budget.

THE PRESIDENT again ascribed the nation's economic problems to the policies of his predecessors in the White House and said the tax cuts enacted last year are necessary to restore incentives.

Reagan went on to endorse a proposed constitutional amendment requiring a balanced budget—despite the fact that his own budget proposal sent to Congress in January projects a deficit of more than $100 billion.

AFL-CIO President Lane Kirkland termed Reagan's constitutional amendment endorsement "a dangerous abdication of political responsibility." Full employment, not a constitutional amendment, is the path to a balanced budget, Kirkland insisted. **(Text, Page 4.)**

THE BUDGET COALITION, which includes the AFL-CIO and some 200 organizations, said Congress must take the initiative in changing the nation's economic direction.

The economy is in shambles because the Reagan economic program "has worked"—against the American people, the coalition said. But "fighting inflation with recession and joblessness is cruel and unfair." The need is for jobs, "not further cuts in vital social programs," the coalition statement stressed.

(Continued on Page 8)

Kirkland Presses U.S. Support

Solidarity's Cause Spurs Polish Demonstrations

By James M. Shevis

Widespread anti-government demonstrations of support for Poland's suspended Solidarity labor union prove that the organization "is alive and speaks for the Polish people," the AFL-CIO declared.

"It is further evidence of the depth of the human hunger for freedom," Federation President Lane Kirkland said following the demonstrations in Warsaw and other major Polish cities on May 3.

"WHAT IS NEEDED now is for the U.S. government to make good its promises to help the Polish people by giving their aspirations a chance," Kirkland stressed.

Soon after the military junta headed by Gen. Wojciech Jaruzelski imposed martial law in Poland last December, President Reagan announced a limited set of U.S. economic sanctions against the Polish communist government and the Soviet Union for its role in the crackdown. He also promised further action if the junta did not relax its iron grip on the country, free Lech Walesa and other Solidarity leaders, and live up to the terms of the 1980 Gdansk agreement giving birth to Poland's independent trade union movement.

New U.S. sanctions "are now long overdue," said Kirkland. "It is time for America to come down on the side of freedom."

AN UNOFFICIAL May 1 demonstration in support of Solidarity provided the backdrop to the latest show of Polish unrest. Some 30,000 Poles, drawn to Warsaw's Old Town section in a counter-march to the Communist Party's annual May Day celebration held only a few blocks away, burned red communist flags, chanted "We want freedom" and yelled "Gestapo, Gestapo!" at onlooking policemen.

Called by underground Solidarity leaders, the march came two days after the junta had freed about 1,000 people detained since the military crackdown and announced easing of restrictions, including an 11 p.m. to 5 a.m. curfew in the capital city.

Police and security forces tolerated the May Day demonstration, but turned to violence May 3 when a throng of about 10,000 assembled in Warsaw's historic Castle Square to express anew their opposition to the regime. Police charged into the crowd, swinging clubs, as militiamen turned water cannons, flares, and tear gas on the unarmed protesters.

THIS TIME, the protests spread throughout Poland to the coastal cities of Gdansk and Szczecin and the central and southern cities of Bydgoszcz, Torun, Lublin, Lodz, and Cracow. New York Times reporter John Darnton in Warsaw reported

(Continued on Page 3)

Economic Index Continues Drop For 11th Month

The government's index of leading economic indicators declined in March for the 11th straight month, signaling no letup in the Reagan recession.

The index, which is designed to forecast economic change, fell five-tenths of 1 percent, the same as in February but less than half the 1.2-percent January deficit. The economic barometer generally shows an increase a month or two before a recovery begins.

THE COMMERCE DEPT., which reported the drop, said six of the 10 available components of the index contributed to the March decline. The largest drop was in the length of the average manufacturing workweek. A rise in initial claims for state unemployment benefits, which has a downward impact on the index, also contributed to the month's decline.

(Continued on Page 7)

Voting Rights Bill Advances in Senate

A labor-supported bill to extend and clarify the Voting Rights Act cleared the Senate Judiciary Committee and seems assured of easy passage when it reaches the Senate floor.

The House passed a similar measure last October, but the Reagan Administration opposed that bill because it included language to overcome a Supreme Court ruling that would make it much more difficult to overturn discriminatory election law changes.

AT ISSUE was whether a law could be overturned if it had the effect of discriminating against minorities, as the House bill specified, or whether there had to be evidence of "intent" to discriminate, as the Supreme Court interpreted the original 1965 law.

In the Senate Judiciary Committee, a compromise shaped by Sen. Robert Dole (R-Kan.) in consultation with the civil rights coalition, resolved the issue to the satisfaction of all but a few conservative hard-liners.

It requires courts to consider the "totality of circumstances" surrounding discrimination charges, not merely the intent. And it specifies that racial quotas, such as election of minorities "in numbers equal to their proportion in the population," are not required to show the absence of discrimination.

President Reagan, who has been sharply criticized for past actions that showed insensitivity to minority concerns, did a turnabout and embraced the new version as a "constructive, bipartisan compromise."

IT WAS included in the bill by a 14-4 vote, with only Judiciary Committee Chairman Strom Thurmond (R-S.C.), Orrin G. Hatch (R-Utah), John P. East (R-N.C.) and Jeremiah Denton (R-Ala.) opposed. Only East voted against sending the measure to the Senate floor.

Senators Edward M. Kennedy (D-Mass.) and Charles McC. Mathias, Jr. (R-Md.) are the chief sponsors of the legislation, which clearly commands sufficient support to squelch any filibuster attempt.

The Voting Rights Act, first passed in 1965 and subsequently extended to cover discrimination against Hispanics and other language minorities, is often termed the nation's most successful civil rights law. It brought a dramatic rise in black voting in the South.

Some portions of the law are permanent, including a ban on literacy tests and criminal penalties for interfering with voting rights. But most of the provisions will expire in August, unless Congress acts.

The House-passed bill and the Senate version continue requirements that nine states and portions of 13 others must obtain advance clearance from the Justice Dept. before changing voting laws or elec-

(Continued on Page 6)

Study Finds Oil Import Tax Fueling Inflation

A proposed oil import tax would fuel inflation, ravage the economy and destroy hundreds of thousands of jobs, the Consumer Energy Council of America warned in testimony before Congress.

CECA told the House subcommittee on energy and environment that its own study, "A Comprehensive Analysis of the Impact of a Crude Oil Import Fee," demonstrates that any "potential gains" from the imposition of such fees would rapidly be offset by its serious "negative economic impacts."

THE LABOR-SUPPORTED council's 140-page study, subtitled "Dismantling a Trojan Horse," was presented to the committee that is considering the oil import tax as part of the current round of budget deliberations.

Its conclusions parallel the AFL-CIO's position that the import fee would be "unfair, inflationary and job destructive."

In a letter to all members of Congress and using an analysis done by the House Energy & Commerce Committee, AFL-CIO Legislative Director Ray Denison stressed that the burden of the impact of the tax will fall heaviest on American workers and their families "already hard-pressed by inflation and soaring unemployment."

CECA RESEARCH Director Mark Cooper called the proposal "the worst, least cost-effective, most inequitable strategic energy response we have available."

Better solutions, he said, include putting five times as much oil into the strategic petroleum reserves. Also, "we could resurrect all of the conservation programs gutted by the Reagan Administration . . . establish contingency responses under a standby petroleum allocation act, which the Administration has recently vetoed."

The report projects that the proposed tax would lead to inefficiency in the energy market to the tune of about $1 billion a year in economic waste.

Also, the total gross national product would be reduced by one percent or $30 billion, and inflation would increase by at least one-half a percentage point.

"THE DECLINE in economic activity would lead directly to a dramatic reduction in the revenue-raising potential of the fee," Cooper said, "so that the actual revenue raised is far less than half the price of the increase."

The study projects revenue losses of:

- $4.5 billion from the decline of tax receipts in non-energy sectors of the economy, or 28 percent of gross revenues.
- $1.8 billion due to additional federal outlays to pay costs of higher unemployment and other social assistance programs, about 11 percent of gross revenues.
- $1.8 billion attributed to increases in federal outlays from entitlements to individuals indexed against inflation.
- $1.0 billion due to other inflation-linked increases in federal outlays.

ENERGY TAXES are "cruelly regressive," Cooper said, stressing that the study shows that imposition of the oil import tax would wipe out what benefit there was for the low and middle-income taxpayer in the 1981 tax cuts.

According to CECA, the 22.5 percent of the population earning less than $10,000 a year would have about two-thirds of their tax cuts erased by the fee and price increases related to it.

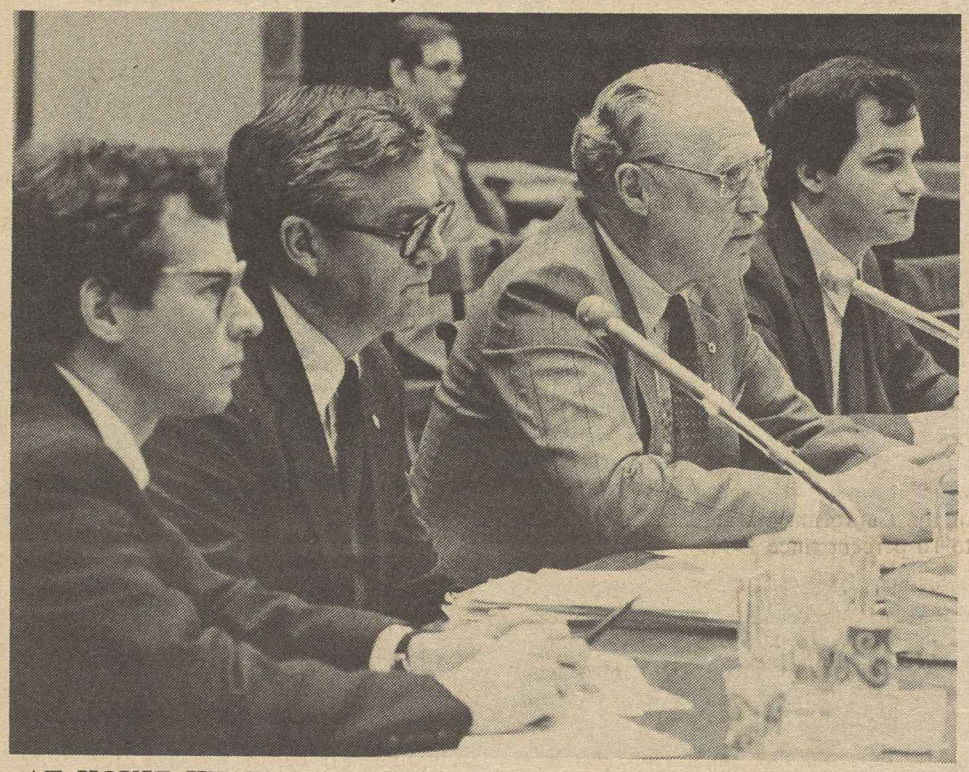
People earning $10,000 to $20,000 a year, about 25 percent of the population, and those earning $20,000 to $40,000, about 35 percent, would lose about one-third of their tax cuts.

On the other hand, those earning $40,000 to $80,000, about 16 percent of the population, would lose less than one-sixth and the 1.2 percent of the population earning over $80,000 could expect to lose nothing at all and might even benefit from increased oil company profits, CECA said.

COOPER SAID the study "shows the absurd irony of the import fee." The same policy-makers who created the 1981 tax cuts and current budget deficits "are threatening to further undermine social equity by trying to close the deficits with an even more regressive tax increase this year—the import fee," he observed.

He called the proposal "a massive national tax shell game in which the rich gain at the expense of the poor and the middle class."

Attempts to balance the federal budget by imposing regressive energy taxes "are nothing less than economic suicide," he said. "They don't effectively raise revenues, they damage the economy, and they place a massive burden on the poor and middle classes."



AT HOUSE HEARINGS on mass transit assistance, union witnesses urged rejection of an Administration proposal to phase out federal operating subsidies, starting with a 38-percent cutback from this year's budget. From left: Legislative Director Robert A. Molofsky and General Counsel Earle W. Putnam of the Amalgamated Transit Union and President William G. Lindner and General Counsel Arthur Luby of the Transport Workers.

Halt in Mass Transit Subsidy Seen Eroding Service, Jobs

The AFL-CIO and its affiliates pressed Congress to continue federal mass transit assistance and reject an Administration bill that would phase out operating subsidies, withdraw collective bargaining guarantees and weaken enforcement of Davis-Bacon Act prevailing wages.

Labor's objections to the Reagan Administration cuts were spelled out by the Amalgamated Transit Union and the Transport Workers at House and Senate hearings, and in letters to the subcommittees by AFL-CIO Legislative Director Ray Denison.

DENISON WARNED that ending operating subsidies would compel most public transit systems to "raise fares and reduce services." That in turn would touch off a destructive spiral of ridership losses compelling further cuts in service and new rounds of fare increases. The end result, he declared, would be to isolate large numbers of workers from job opportunities and further damage the economy.

Transport Workers President William G. Lindner and the Transit Union's general counsel, Earle W. Putnam, endorsed the approach taken by Sen. Alfonse D'Amato (R-N.Y.) and a bipartisan group of co-sponsors.

While the D'Amato measure does not provide the increased funding levels labor has urged, it includes both capital grants and operating subsidies as part of a single general assistance program. It would also continue the existing requirement for continued collective bargaining with unions of transit employees and other labor standards safeguards.

LINDNER WARNED in testimony before the Senate Housing & Urban Affairs subcommittee and the House Surface Transportation subcommittee that urban mass transit is unlikely to survive the decade of the 1980s without continuation of federal operating assistance.

He noted that the Administration argues that the reduced level of federal assistance should be concentrated on capital grants that will improve "productivity." But the chief problem of productivity is vehicles disabled and out of service, Lindner noted. "The fundamental barriers to gains in productivity are operating and maintenance deficiencies, not capital deficiencies."

Testifying for the Transit Union before the two panels, Putnam said the 38-percent cut in operating assistance the Administration has proposed for the 1983 fiscal year—as the first step in the proposed phaseout—"amounts to a deliberate abandonment of the national goal of promoting an expansion of transit services and increased ridership."

States and cities are simply not able to pick up the tab for abandoned federal assistance, he warned. And if this is supposed to represent the President's "new federalism" concept, "it seems to us a step toward no federalism at all," he said.

The two unions sharply protested the Administration attempt to eliminate collective bargaining requirements as a condition of receiving federal grants, and submitted wage comparisons refuting the Administration contention that the labor provisions of existing law led to excessive wage increases.

Denison's letter on behalf of the AFL-CIO termed the Administration bill "destructive of good labor-management relationships in the transit industry."

HE NOTED that the Administration would make the labor standards protections "inapplicable to 90 percent of the federal support programs" for mass transit. And it would transfer administration of the labor protections that remain from the Dept. of Labor to the Dept. of Transportation, despite that agency's "lack of expertise."

Denison also informed the two subcommittees that the AFL-CIO considers "unacceptable" the Administration proposal to allow recipients of federal grants to certify compliance with Davis-Bacon requirements without verification.

Goodrich Accord Wraps Up Bargaining in Tire Industry

Akron, Ohio—The Rubber Workers wound up their current round of bargaining with the tire industry, signing a master agreement covering some 42,000 URW members employed by the nation's Big Four tire makers.

"We've maintained pattern bargaining in the industry in 1982 without a confrontation, and I'm happy about that," URW President Milan Stone observed.

THE UNION signed a tentative contract with Firestone Tire & Rubber Co. on May 3, and a similar pact with Goodyear Tire & Rubber Co. on Apr. 30. Both agreements followed the pattern settlement with the B. F. Goodrich Co. attained Apr. 19. The other member of the Big Four, Uniroyal Inc., reached agreement on labor concessions late last year because of severe financial losses.

Goodrich workers already have ratified the new three-year pact. Approval by Firestone and Goodyear employees is expected within 10 days of the contract signing.

The new pacts replace agreements that expired on Apr. 21. Goodyear, the largest of the firms, employs 19,000 URW members, Firestone 9,500, Goodrich 8,700, and Uniroyal 4,800.

In a separate contract with Goodrich's Akron plant, Local 5 members voted by a 2 to 1 ratio to approve a three-year concessions package to save the facility from closing. The plant employs 2,000.

IN RETURN for wage reductions that could total as much as 81 cents an hour over the life of the pact, Goodrich agreed to keep most of its Akron production lines open and institute a profit-sharing plan. Management officials have said the facility, which employed up to 11,000 workers in the 1950s, has been losing $1 million a month for two years.

The master agreement with Goodrich, Firestone, and Goodyear maintains the existing cost-of-living formula of one-cent an hour for every .26-point rise in the national consumer price index, but does not provide general wage increases. Based on an anticipated 7-percent increase annually in the CPI, the COL formula would result in about $2.44 an hour in wage increases over the life of the contracts.

The pacts also provide employee protection in the event of plant closures, and extend group health insurance rates for senior workers who are laid off.

Employees at Firestone's industrial products facility in Noblesville, Ind., are not covered by the economic terms of the pattern settlement, having voted special concessions early last year that will continue until 1985.

Coalition Report Documents Huge Tax Cut Inequities

A new study of the Reagan tax program by Citizens for Tax Justice (CTJ) documents the huge inequities and economic shortcomings of the 1981 tax act.

The study, "The Reagan Tax Shift: A Report on the Economic Recovery Act of 1981," details how the law "showers tax reductions on the very highest income individuals, and virtually wipes out the corporate income tax," while "middle- and lower-income taxpayers will end up paying higher taxes."

Robert S. McIntyre, CTJ's federal tax policy director, says the report should dispel any lingering doubts about the unfairness of last year's tax bill. It "is not only a travesty of tax fairness, it is an economic disaster," he observed.

CTJ is a coalition of public interest, citizens and labor groups, including the AFL-CIO, which represents average taxpayers in seeking fairer, simpler, and more efficient tax laws at the national, state, and local levels. The report is available from Citizens for Tax Justice, 2020 K Street, N.W., Suite 200, Washington, D.C. 20006.

New Protests Evoke Spirit Of Solidarity

(Continued from Page 1)

that clashes also were said to have erupted in a number of small towns. Travelers from Gdansk, where Solidarity came into being in August 1980, said violence there was even greater than in Warsaw.

The government quickly reimposed the Warsaw curfew it had lifted only the day before and reinstated other tough security measures. Telephone lines in the capital were cut, cultural and sports events suspended, and the use of private cars banned.

In a special address to the Sejm, or Parliament, Interior Minister Gen. Czeslaw Kiszczak disclosed that 1,372 people had been taken into custody for participating in the May 3 demonstrations. He blamed the disturbances on "enemies of socialism" acting in conspiracy with "reactionary" forces in the West.

THE PROTESTS were the biggest open defiance against the Jaruzelski rule since its crackdown on Solidarity last Dec. 13. At that time, the junta banned public gatherings other than religious services, rounded up and jailed Solidarity leaders, and suspended all union activities.

Solidarity, the only independent union in the Soviet bloc, did not dissolve, but went underground. A clandestine radio station defied communist authorities last month, and urged Poles to resist the junta and fight for their union. "Radio Solidarity" went on the air again May 3 but was audible only in some parts of Warsaw and then drowned out by heavy jamming

The Reagan Administration called the violence in Poland "a result of frustration" and urged the Polish government to open a dialogue with Solidarity and leaders of Poland's influential Roman Catholic Church.

Testifying before a Senate Appropriations subcommittee, Sec. of State Alexander Haig said the Polish government and its Soviet allies are "lagging badly" in meeting U.S. requirements for the resumption of normal trade and scientific exchange with the United States.

$65 Raise Won By 30,000 in N.Y. Building Services

New York—Thirty thousand apartment house employees here will receive a $65-a-week pay raise over three years under a new contract negotiated by Local 32B-32J of the Service Employees.

In addition to the wage increase, the contract with the city's apartment house owners includes an improved cost-of-living provision, strengthened job security, an additional holiday, full pay for unused sick days, plus major improvements in health, dental and pension benefits, and life insurance.

THE SETTLEMENT, which Local President Guy Bevona termed the best ever achieved in the union's 48-year history, came at the end of a marathon negotiating session that lasted 29 hours.

Strikes of eight days in 1979 and 17 days in 1976 had been necessary to achieve the union's two previous contracts. The agreement covers 3,500 buildings in Manhattan, Brooklyn, Queens and Staten Island and sets a pattern for settlements with buildings not represented by the Realty Advisory Board.

THE AGREEMENT provides for a raise of $24 a week immediately, $21 in the second year and $20 the third year. The cost-of-living clause, which kicks in if the consumer price index exceeds 8.5 percent in any year, was improved over previous levels. Unused sick days will now be paid in full, instead of at the 70 percent rate.

A unique provision for an 11th holiday will allow workers the choice of Good Friday, Yom Kippur or the birthday of Martin Luther King.

MUSICAL REVUE brought picket line relief for 2,000 members of District 1199 who had been on strike for 27 days in support of 78 registered nurses before a settlement was reached with Long Island Jewish Medical Center in New Hyde Park, N.Y. The performance was provided by the union's continuing Bread and Roses cultural program. District 1199 is the health care division of the Retail, Wholesale & Dept. Store Union. The revue, "Take Care, Take Care," is scheduled for a two-week run in a number of cities on the West Coast.

CLUW Delegates Review Growth, Press Program for Women Workers

Los Angeles—Banners proclaiming "a past of progress and a future of promise" set the theme for the second biennial convention of the Coalition of Labor Union Women, which drew more than 900 delegates, alternates, observers and visitors from 20 countries.

CLUW President Joyce Miller, a vice president of the Clothing & Textile Workers and a member of the AFL-CIO Executive Council, cited the organization's growth since its 1979 convention from 30 chapters to 65 and a doubling of membership.

MILLER OUTLINED recent CLUW programs to help organize the unorganized and emphasized CLUW's continuing commitment to ratification of the Equal Rights Amendment and establishment of quality child care. Other areas of concern, she noted, include "the problems of older women workers, inequities of the social security system, and the dangers posed by sexual harassment."

And pay equity, she observed, is a key issue for CLUW "as we work to dispel some of the myths surrounding equal pay for work of comparable value."

Despite the solid gains of the past two years, Miller warned, "the anti-worker, anti-woman policies of the Reagan Administration have had a devastating impact on women." Citing jobless figures of 17.6 percent for black women heads of household and 8.1 percent for white women, she noted that almost 300,000 more women have been added to the jobless rolls during the first three months of 1982.

"THERE IS NO mystery about these figures," Miller said. "Every program that would have encouraged the hiring of women, the maintenance of women on the job, the development of new jobs for women and the training of women has been cut.

"Women had only just begun their climb up the economic ladder when Ronald Reagan lowered the boom. And trying to climb that ladder with the President stomping on your fingers is not easy."

Miller called on CLUW members to make a statement with their ballots on Solidarity Day II—Election Day, Nov. 2—showing the Reagan Administration "that we totally oppose economic policies which take from the poor and provide for the rich. We must encourage our unions to develop strong grass-roots political organizations and we must become leaders in those organizations."

DELEGATES heard welcoming remarks from Bill Robertson, executive secretary-treasurer of the Los Angeles County AFL-CIO, and John F. Henning, executive secretary-treasurer of the California AFL-CIO.

California Gov. Jerry Brown told the delegates that "the onslaught of budget cuts has created a challenge to organize and mobilize. The Administration's abuses of public trust provide a stimulus to respond with alternatives. We cannot build a strong economy on trickle-down theories and a multinational philosophy."

David Sickler, coordinator of the Coors boycott, was greeted with signs and cheers in support of the boycott campaign. Tracing the history of the dispute with "a company that demands workers leave their rights at the plant gate," Sickler praised CLUW for its part in the effective boycott, which he said has reduced Coors' share of the California market from 50 percent to 16 percent since 1977.

VICE PRESIDENT Delores Huerta of the Farm Workers, stressed in an address to the delegates that women trade unionists "have a clear mission and purpose in assuming leadership roles to help organize unorganized workers."

She reported that the UFW "has been hit hard" by recent arrests of undocumented workers by the Immigration & Naturalization Service and charged that "the Reagan Administration is trying to make Mexican workers the scapegoats for the high unemployment rates."

Other speakers included Los Angeles Mayor Tom Bradley; Yvonne Burke, former congresswoman; Maxine Waters, assistant majority leader of the California Assembly; William Lucy, secretary-treasurer of the State, County & Municipal Employees; M. E. Anderson, director of the Western Conference of Teamsters; Sec.-Treas. Elmer Chatak of the AFL-CIO Industrial Union Dept., and William Pollard, director of the AFL-CIO Dept. of Civil Rights.

IN AN expression of solidarity with workers at Litton Industries, more than 500 CLUW members demonstrated in front of Litton's headquarters in nearby Beverly Hills. The spirited demonstration was part of a nationwide campaign to inform the public of the firm's systematic union-busting over two decades.

The delegates acted on a score of resolutions ranging from support for affirmative action, ERA, pay equity and comprehensive child care to opposition to the Reagan Administration's economic policies.

Also approved were a number of constitutional amendments including an increase in the number of vice presidents from four to seven and a new annual dues structure of $11 (up from $10) with the additional $1 earmarked for the state CLUW structure.

Officers elected for two-year terms are: president, Joyce Miller, ACTWU; executive vice president, Addie Wyatt, Food & Commercial Workers; treasurer, Gloria Johnson, Electrical, Radio & Machine Workers; corresponding secretary, Elinor Glenn, Service Employees; recording secretary, Lela Foreman, Communications Workers; vice presidents, Odessa Komer, Auto Workers; Georgia McGhee, AFSCME; Clara Day, IBT; Pat Halpin, Teachers; Gwen Newton, Office & Professional Employees; Evelyn Dubrow, Ladies' Garment Workers, and Joycelyn Thompson, Machinists.

High Court Rejects Challenge To Bona Fide Seniority Plan

The Supreme Court has again rebuffed a challenge to a union-negotiated seniority system under the 1964 Civil Rights Act.

Its 7-2 decision rebuked the U.S. 5th Circuit Court of Appeals for second-guessing a federal district court on the facts of the case.

THE LOWER COURT had found no evidence of discriminatory intent in the negotiation or administration of the seniority system of Steelworkers Local 1466 at the Bessemer, Ala., plant of Pullman-Standard, which manufactured freight cars until the plant was closed last year. On the contrary, the district court found that the union was committed to "color-blind objectives" and that the local "had approximately equal numbers of black and white officers and negotiators."

The Supreme Court reaffirmed, as the AFL-CIO and the Steelworkers had urged in a joint brief, that Congress in enacting the Civil Rights Act had decided that legitimate seniority systems not designed to perpetuate discrimination are lawful.

While the appellate court, on its own review of the record, found an intent to discriminate, the Supreme Court held that the appellate body could overturn a finding of fact only if it were "clearly erroneous," which was not true here.

THERE WAS an element in the case, involving a small department whose workers previously had been represented by another union, which had not been dealt with by the trial court, the Supreme Court acknowledged. But it said the appellate court should have remanded that issue to the lower court for further proceedings rather than make its own findings.

Justice Byron R. White wrote the majority opinion. A dissent by Justice Thurgood Marshall, joined in large part by Justice Harry A. Blackmun, contended that the appellate court was entitled to come to its own conclusion on the facts.

A Shackling Amendment

IN A TIME of deep economic distress, with unemployment rising and millions of Americans suffering deprivation, the call for an amendment to the Constitution to balance the federal budget is a dangerous abdication of political responsibility.

Any attempt to write a particular economic theory into a living document like the Constitution carries unacceptable risk for all Americans. This time, the amendment drive is coming from the far political right, which has seen its theories discredited by the cruel experience of the past. Next time, the movement could come from a different, equally selfish crevice of American politics.

The AFL-CIO subscribes wholeheartedly to the words of Justice Holmes, who said: "A Constitution is not intended to embody a particular economic theory."

THE PROPOSED amendment embraced by President Reagan would do more than incorporate economic theory in the Constitution. It would also undermine the essential separation of power principles on which American government rests and erode the power of our elected representatives to act. These results would weaken the Constitution and undermine the inherent strength of our system of government.

In particular, this amendment would immobilize the congressional power to meet national needs through tax and spending levels. The Federal Reserve Board of Governors, an unelected body not responsible either to Congress or the President, would gain increased power.

We have all witnessed the cruel results when the setting of economic policy is left to the crude monetary powers of the Federal Reserve. The effect is a mild recession turned into a near-depression.

THE REAGAN Administration came to power promising to balance the federal budget. Such a goal is not consistent with the President's agenda, which features massive, unfair tax cuts to the wealthy and a budget that undermines the economy and breeds unemployment. To transfer budget balancing authority to the Constitution would not change the fact that in an economic recession like the current one, taxes cannot be raised high enough or spending cut low enough to balance the budget. A balanced budget in this atmosphere would bring on a new Great Depression.

An amendment that shackles the Constitution to prevent the nation from dealing with unemployment is self-defeating. The only way to a balanced budget is through full employment which would restore the economy and bring this nation out of its despair.

The AFL-CIO urges all Americans to resist the simplistic notion that economic well-being can be achieved by amending the Constitution. Instead, all Americans must demand that their elected representatives and their President grasp their responsibilities to write an economic program that will put individuals back to work, restore fairness to the tax system and protect the helpless from further deprivation.

—Response by AFL-CIO President Lane Kirkland to President Reagan's televised address on the federal budget, Apr. 29, 1982.

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THOMAS R. DONAHUE, *Secretary-Treasurer*

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'If You Want It Done Right...'

Escape Budget Scrutiny

'Tax Expenditure' Label Hides Huge Handouts to Big Business

By Gus Tyler

THE BIGGEST EXPENDITURE in the federal budget is not recorded as an expenditure. In 1981, that one item cost $229 billion; in 1982, it is expected to run to $260 billion. That sum is more than double the deficit for this year. If this "cost" were wiped out, the budget could be balanced with enough left over both for military and for social purposes.

The huge, and ever-growing, expense item is referred to as "tax expenditures." The phrase itself is confusing, an oxymoron—which means a word or phrase that contradicts itself. From the government's point of view, a "tax" is something that comes in to the Treasury; an "expenditure" is something that goes out. So how can there be a something that goes both in and out at the same time?

THIS CONFOUNDING verbiage helps to obscure a very costly operation that goes on virtually without the knowledge of the American people, because it never appears in the official budget and is rarely explained—although, curiously, it touches just about everyone in the country in one way or another.

Perhaps the easiest way to understand what a "tax expenditure" is would be to imagine that you are the federal government. Suppose you receive a trillion dollars in income and then spend a quarter of a trillion. You are left with three-quarters of a trillion, and the outgo is reported as an "expenditure."

Now suppose you were due to receive a trillion dollars through taxes but you decide to exempt one quarter of a trillion from taxation. You end up with three-quarters of a trillion, just as in the previous situation. But the quarter of a trillion that you did not receive is not listed as a straight "expenditure" but as a "tax expenditure" that never appears in the budget as money you "spent."

THE "TAX EXPENDITURE" is a neat way for a politician to look like a big saver when he is really a big spender. Last year, when the President and Congress were cutting the budget here and there to leave the social program bleeding badly, they were handing out "tax expenditures" to the tune of $82 billion.

If you are the beneficiary of one of these "tax expenditures," you will quickly discover that it is better than a subsidy. The "tax expenditure" is written into the tax law, so—as in the case of any law—it does not come up for review every year. Once you have it, you have it forever—or at least until such time as someone in Washington decides to rewrite the law.

IT'S DIFFERENT with a subsidy that is a straight "expenditure." Such an expenditure comes up for review every time a new budget is written—which is annually.

That's why "tax expenditures" are very popular with special interests. And that's why they have grown so fast—about two and a half times as fast as regular expenditures. And that's one of the main reasons that the budget is running so deeply in the red this year.

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Leadership Needed To Salvage Economy

President Reagan can no longer "get off the hook" by blaming Congress and saying his economic program has not yet had a chance to work. It has worked, and the American people know how it has worked—against them. Fighting inflation with recession and joblessness is cruel and unfair; the organizations in the Budget Coalition cannot and will not watch this economic disaster in silence.

We need a change in direction and emergency action to deal with the problems we face, and it is up to the President to provide the leadership. If he refuses to do it, then we look to the Congress—the representatives of the people.

What this country needs is obvious to all: we need jobs, not further cuts in vital social programs; we need effective action to lower interest rates; changes in regressive and unfair Reagan tax policies; reform of flagrant tax loopholes; and the elimination of wasteful spending on defense.

Finally, we need to invest in programs to reconstruct our economy and provide hope for the American people where there is now only despair. To accomplish these humane and decent objectives, we need leadership from our government.

—From a statement by the Budget Coalition, Apr. 30, 1982.

AFL-CIO Proposal

Tax Reform Measure Termed Vital Step Toward Recovery

Following are excerpts from remarks made by Rep. Thomas J. Downey (D-N.Y.) in introducing tax reform legislation based on proposals made by the AFL-CIO Executive Council.

SWIFT AND RESPONSIBLE action is necessary to restore the nation's economic health and assure that burdens and benefits are shared equitably.

A vital first step toward economic recovery, balance and fair shares is a comprehensive package of tax changes and reforms. These measures will undo in large degree the worst inequities of last year's tax legislation and recapture sufficient revenues to fight recession, maintain essential public investments and protections, reduce the deficit and permit a lowering of interest rates.

It is called the Equity Tax Act of 1982.

THE REAGAN Administration's Economic Recovery Tax Act of 1981 was an ill-conceived hodgepodge of loopholes and giveaways for big business and individuals with high incomes. The great majority of the nation's taxpayers were shortchanged and the economy severely damaged.

The act has not brought about economic recovery, but rapidly deepening recession. It has not generated any of the promised "supply-side" effects of more jobs, investment and lower deficits claimed by its proponents. It has failed the most fundamental tests of sound tax policy: to raise adequate revenues to meet national needs and a fair sharing of the responsibility for financing those needs. The time has come to redirect the tax structure to meet these tests.

The President's tax program has been given more than ample time and the evidence of its failure is overwhelming. Most of the big business tax cuts were retroactive to Jan. 1, 1981; key tax cuts for the wealthiest individuals were back-dated to June of last year and payroll withholding reductions of 5 percent began in October.

YET, DESPITE these actual effects and the fact that the Reagan program was geared to "expectations" we are in the midst of a deep recession that began six months after President Reagan took office and has been worsening ever since. There are more than 9.9 million workers unemployed—more jobless Americans than at any time since the Great Depression.

Towering interest rates have decimated the housing and durable good markets, discouraged investment in plant and equipment and smothered the ability of households with modest incomes to save. Mortgage rates still hover around the 15 percent they averaged last year, and the prime lending rate, which averaged almost 19 percent in 1981 still remains at an intolerable 16.5 percent—despite the depressed levels of economic activity and price level reduction.

Costs and inequities of the Reagan tax cuts are principal impediments to economic growth and full employment. They have created projected budget deficits far larger than anticipated and are preventing vital reductions in interest rates. Unless the course of Reaganomics is reversed, the economic and social ills we are currently suffering—ills inflicted by shoe-string public budgets financed by unfair tax cuts—could fester and grow into a full-fledged depression.

We must change directions now.

The AFL-CIO Executive Council outlined a comprehensive alternative to the economic policies of the Reagan Administration earlier this year. That multifaceted proposal included means for dealing with the Reagan recession through job-creating programs, reinvigoration of our industrial base and methods for relieving the suffering of unemployment victims. The Equity Tax Act incorporates the principal tax policy suggestions of the AFL-CIO which add up to a reasonable and responsible package of basic tax reforms and measures that will reverse some of the worst aspects of the Reagan program.

A KEY PROPOSAL in the package is to cap the 1982 and 1983 individual tax cuts at $700 per family. This will put back a substantial element of fairness to the tax system. The cap will have little or no effect on most families earning $40,000 or less, and will recoup about $28 billion of badly needed revenues.

It also proposes to end the much abused buying and selling of excess tax credits through the leasing provisions of ERTA. The leasing provision has already proven itself as a wasteful and inefficient means to deal with troubled firms or industries and other methods must be found.

The revenue loss due to the leasing provisions will reach $7 billion by the end of fiscal 1983; and will cost $8.5 billion annually by 1986. The prime beneficiaries will continue to be large and profitable corporations.

THE MEASURE also would reduce the investment tax credit—the single most costly business tax preference—to its former 7 percent level. In view of the depreciation giveaways of the Acclerated Cost Recovery System enacted last August, there is no justification for maintaining this provision which is costing taxpayers over $7 billion annually.

The Equity Tax Act will enable the federal government to put into place the kinds of policies we need to set the economy on the right track. It will help make possible necessary investments in the public infrastructure—highways, bridges, mass transit, railroads and other facilities—human capital investments through jobs and training programs, revitalization of the housing industry—particularly for low- and moderate-income housing—rebuilding of the nation's industrial sector—and extension of unemployment insurance benefits to protect the long-term jobless, victimized by recession.

Shifting the Burden

'Enterprise Zone' Plan Called Device for Cut-Rate Job Bidding

THE REAGAN ADMINISTRATION'S enterprise zone scheme is an attempt to pit jobless workers and blighted communities against each other bidding for jobs and industries with cut-rate wages and substandard conditions, AFL-CIO Vice President Sol C. Chaikin charged.

"There's no way that any business is going to invest fresh dollars" in an enterprise zone when it is already operating at far less than capacity outside the zone because of the depressed economy and uncertain markets, Chaikin observed. He said that, at best, the Reagan proposal would only shift the burden of unemployment from one area to another without creating any new jobs. The Ladies' Garment Workers president was questioned on the AFL-CIO public service program, Labor News Conference.

Chaikin warned that allowing special tax breaks for employers within the enterprise zones, along with exemptions from certain federal, state and local laws, regulations, ordinances and codes, would give them a big advantage over employers outside the zones who must conform to the laws and regulations that protect both the interests of the community and the rights of workers. He said that what the Administration would like to set up is a situation where employers can come into the zones "and be free to make their own individual deals with these desperate people."

ENTERPRISE ZONES, Chaikin said, would turn out to be the same kind of failures that the other keystones of Reaganomics have been.

Chaikin urged that instead of gimmicks like enterprise zones, Congress ought to be shaping "realistic job-making programs" that address badly needed community improvements, such as road, highway and bridge repairs, sewer and public utility updates, improved mass transit and revival of the housing industry.

By Press Associates, Inc.

FREE PUBLIC EDUCATION for all children is taken for granted as a vital part of American democracy, but it was not automatically achieved by the American Revolution.

It took decades of struggle by workers and social reformers to win tax-supported elementary and secondary education in many states.

When New York City established public schools in 1832, resistance came primarily from the wealthy, who objected to paying taxes for schools they knew their children would not attend.

After 150 years, this argument endures as a threat to the public school system.

Introducing his tuition tax credit proposal in Chicago recently, President Reagan said he was fulfilling a campaign promise to provide relief to "parents who bear the double burden of public and private school costs."

REAGAN'S TUITION tax credit proposal—similar to many others introduced in Congress since the early 1950s—would allow parents earning $50,000 or less with children in private schools to take a tax credit equal to 50 percent of tuition. The maximum credit would be $100 per child in 1983, $300 in 1984 and $500 in 1985 and thereafter. Parents earning up to $75,000 a year would be allowed a partial credit.

One of the reasons Congress probably will reject it is the soaring budget deficit. Faced with the Reagan Recession and sagging federal revenues, Congress is unlikely to approve tuition tax credits costing an estimated $100 million in Fiscal 1983 and an estimated $1 billion after 1985.

It seems odd, then, that Reagan would pick this time to propose tuition tax credits. A good clue is that Whie House polls reportedly show the President's support dwindling among certain groups that helped elect him.

POLITICAL EXPEDIENCY may explain why the Administration suddenly can afford to spend $100 million on 5 million private school children, yet cries poverty when it comes to federal education programs that serve many, many millions more public and private school children.

And this is probably the strongest reason why Congress should reject the plan. Federal education programs for the educationally disadvantaged, handicapped and college students, and other programs providing school lunches, breakfasts and milk supplements have been drastically cut by the Administration in the name of "budget-balancing."

These targeted programs work and serve those who really need them. If more money can be found for education in the federal budget, it should go to programs that serve the greatest need.

Public schools have an obligation to serve public need, and basically they have fulfilled this by educating generations of immigrants, by offering opportunities to all classes, and by providing a foundation for personal achievement as an adult.

THEY ALSO have served democracy well, introducing democratic principles and ideals and serving as a unifying factor in a nation of diversity. They have provided common experiences for children of all races, religions and national origins.

Finally, tuition tax credits threaten the public school system. If as a matter of public policy, taxpayers who send their children to private schools get a tax break, why not the same for single persons or anyone else without children in public school?

Setting policy along these lines of thinking would signal a return to 150 years ago, when education by and large was available only to those with the means to pay for it. It would repudiate one of the greatest achievements of American democracy, a system of free public education which has served as a model for the world.

JOBLESS WORKERS and blighted communities will be forced to bid against each other for jobs and industries with cut-rate wages and substandard conditions if the Administration's enterprise zone plan is implemented, Ladies' Garment Workers President Sol C. Chaikin, center, charged on Labor News Conference. The AFL-CIO vice president was questioned by Thomas Edsall, left, of the Washington Post and Lance Gay of the Scripps-Howard Newspapers. The AFL-CIO produced public affairs program is aired weekly over the Mutual radio network.

WOMEN'S RIGHTS were a key issue on the agenda of the annual AFL-CIO Civil Rights Conference which stressed "Making Equal Opportunity a Reality." Speakers at the conference, held at the George Meany Center for Labor Studies, included, from left, Gloria Johnson, director of education and women's activities for the Electrical, Radio & Machine Workers, and Dorothy Height, president of the National Council of Negro Women, along with AFL-CIO Civil Rights Director William E. Pollard and Cynthia McCaughan, coordinator of women's activities.

Auto, Trucking Settlements Lower Average Wage Gain

Major bargaining settlements during the first quarter of 1982 provided wage increases averaging 2.2 percent in the first contract year, mainly because of wage freezes in the depressed auto and trucking industries, the Labor Dept. reported.

A more accurate indicator of the bargaining trend, excluding autos and trucking, shows 185,000 workers in 62 other major units winning wage hikes averaging 7.8 percent in the first year and 6.8 percent annually over the life of the contract.

THE FIRST QUARTER settlements were dominated statistically by the Auto Workers' pact with Ford and the Teamsters' Master Freight Agreement with Trucking Management, Inc.

The UAW and Teamster agreements accounted for about 70 percent of the 645,000 workers in the 65 major units for which settlements were reached.

The Labor Dept. said no specified wage adjustment was negotiated for the 460,000 workers covered by the auto and trucking pacts. Those agreements continued to include cost-of-living adjustment clauses which were revised to delay or reduce COLA increases. COLAs are not included in the Bureau of Labor Statistics calculations since they depend on unknown future changes in the consumer price index.

IN TERMS of effective wage adjustments during the first quarter, some 2.7 million workers received wage increases averaging 3.0 percent. Those under new settlements won wage boosts averaging 8.0 percent; those receiving deferred adjustments got 4.6 percent; and COLA increases came to 1.2 percent.

The 1.7 million workers receiving COLA increases of 1.2 percent recovered three-fourths of the rise in consumer prices during the period covered.

In the April-June 1982 quarter, 335 major agreements involving 1.4 million workers, one-fourth of them in construction, are due to expire or be reopened on wages.

IN ADDITION, at least 57 agreements covering 367,000 workers expired prior to Apr. 1, but new agreements had not been reached or ratified by the end of March. The UAW pact with General Motors reached in April will affect the figures for the second quarter.

Also in the second quarter, 1.6 million workers are due deferred wage increases averaging 7.2 percent. About 2.2 million workers, chiefly in trucking, steel and electrical equipment industries are scheduled for COLA reviews.

The trucking and auto agreements, which dominated the first quarter settlements, occurred in industries hurting from the deep recession, with trucking also disrupted by deregulation and the auto industry undermined by imports.

ABOUT 300,000, or half the workers covered by first-quarter settlements, are in trucking. The Teamsters pact had no specified wage hike, but the previous COLA clause was revised to provide annual rather than semi-annual adjustments and to divert all or part of COLA hikes to meet cost rises in health and welfare and pension benefits, BLS said.

The Ford pact covering 160,000 UAW members also provided no specified wage increase, BLS reported. The pact defers for 18 months the effective date of the first three quarterly COLAs and reduces each by 2 cents.

Voting Rights Extension Clears Senate Hurdle

(Continued from Page 1)

tion district boundaries. But the legislation sets up simplified procedures, starting in 1984, for jurisdictions to "bailout" of this requirement by demonstrating to a three-judge panel in the District of Columbia a 10-year record of non-discrimination.

Elsewhere and after a bailout, allegations of discrimination could still be brought through court action as is the case now. The clarifying language about "intent" covers such cases.

AFL-CIO Assails Move

Labor Dept. Proposals Weaken Anti-Bias Rules

By Susan Dunlop

The Reagan Administration's plans to weaken affirmative action requirements for federal contractors have drawn fire from labor and civil rights organizations.

The Labor Dept.'s Office of Federal Contract Compliance Programs has proposed rule changes that would scale down the use of back pay as a remedy for discrimination, limiting it to "identifiable victims." The proposal also would change the methods for determining the availability of women and minorities for jobs and for insuring that they are being used in all job categories.

THE EXTENT of coverage of a contractor's non-federal jobs would be narrowed, and construction contractors would have wider leeway in the methods they use to set and meet goals for hiring and promoting women and minorities.

AFL-CIO Civil Rights Director William E. Pollard called the proposed rule changes an attempt "to dilute the already modest requirements for non-discrimination and affirmative action set out in Executive Order 11246 for contractors getting paid with federal dollars."

The NAACP charged that the backpay proposals are "inadequate," and that the "ambiguity" of the entire package poses "potentially serious enforcement problems."

THE PROPOSALS are part of a larger package of rule changes that would ease many affirmative action requirements for contractors doing business with the government. The Administration announced its intention to seek the changes in August 1981. The OFCCP said the full package of proposed revisions will be recombined into a final set of rules this summer.

Public comment on the current proposals will be accepted by the agency until May 24.

The OFCCP's proposals define the agency's right to seek back pay as a remedy for discrimination. But they would limit awards to "identifiable victims" who have suffered "economic loss due to the contractor's discriminatory actions."

BACK PAY would not be sought for more than two years prior to the date on which OFCCP notified the contractor of a filed complaint, and liability would be confined to jobs or opportunities that would have been available to the victims of discrimination. "Interim earnings" would be subtracted from the award, and disputes between the agency and contractors over amounts would be arbitrated.

Pollard pointed out that the proposals would put the burden of proof of discrimination heavily on the workers and would prevent many victims of discrimination from gaining redress.

The OFCCP should establish a strict time-frame for notification of complaints and should include a clear definition of what constitutes back pay, he said.

The Administration proposals would cut from eight to four the factors contractors must take into account in figuring out the "availability" of qualified women and minorities for jobs and in proving that they have "utilized" an adequate number of those workers.

THE EIGHT-FACTOR system, criticized as cumbersome by employers, included both present and potential availability of workers. The new proposal concentrates on availability of women and minorities who already have the necessary skills—in the immediate geographic area, in the "relevant recruitment area" and in the contractor's own workforce.

Contractors would be permitted to "weight" any of these factors "in the manner they deem most appropriate to their particular situation."

As an alternative, the contractor could use the appropriate standard metropolitan area statistics for women and minorities in the area's civilian labor force.

A major flaw in those proposals, Pollard noted, is that they do not take into account training programs, such as apprenticeship outreach programs, that continue to increase the potential availability and the qualifications of women and minorities for jobs where they have been underrepresented.

THE OFCCP IS assuming, he pointed out, that contractors will "act in good faith" in not weighting an analysis in such a way as to exclude women and minorities or to exempt themselves from compliance.

The agency is also asking for comment on two alternatives for defining the "job groups" established to show that women and minorities are being hired and promoted. Currently the regulations call for breaking a service or supply contractor's work force into "horizontal" groups made up of workers doing similar jobs and with similar wage rates and promotion opportunities.

The OFCCP could leave that system intact, except to encourage groups made up of 50 or more employees, or, depending on public reaction, it could permit contractors to group jobs "vertically," from entry levels to the higher positions that could be filled for them.

This alternative, Pollard said, could lead to continued concentration of women and minorities in entry level jobs since goals and timetables for hiring and promotion would be weakened.

FOR THE SAME reasons he was critical of another provision that would keep the current 6.9-percent goal for employment of women on federal construction jobs, but apply it to the contractor's entire on-site workforce instead of trade by trade.

Also, the OFCCP said, if 6.9 percent of the hours worked in entry level jobs, such as helpers and apprentices, were worked by women, this would be considered a "good faith effort" by the contractor to meet the goal.

Executive Order 11246 now applies OFCCP regulations to all of a covered contractor's worksites, including those that do not involve federal money. The new rules, if adopted, would limit the contractor's affirmative action obligations only to the geographic area where the federal work is being done although the employer's non-federal jobs in that area would also be under the regulations while the federal work is being performed.

Workers Collect $3.3 Million In Back Pay at Florida Steel

Checks for almost $2 million were sent out to present and former employees at Florida Steel Corp.'s Charlotte, N.C., mill in partial payment toward settling one of the largest backpay cases in the history of the National Labor Relations Board.

On top of the $1.3 million paid last month to current or former employees of the company's Indiantown, Fla. plant, the most recent payments make the $3.3 million total the third largest backpay settlement ever handled by the NLRB. The largest was $12 million by American Cyanamid in 1979. The second largest was $4.5 million by Kohler Co. in 1965.

SEC.-TREAS. Elmer Chatak of the AFL-CIO Industrial Union Dept., who announced the latest payments, said a final settlement could cost the company another $2 million. The case stems from charges against the firm filed by IUD and the Steelworkers more than eight years ago.

Between 1973 and 1979, the Steelworkers filed 21 separate unfair practice charges against Florida Steel, of which three were settled. All but one were upheld by the NLRB and in most cases enforced by the courts.

The central charge in the litigation was that the company illegally withheld wage increases at the Charlotte and Indiantown plants in retaliation for union election victories in 1973 and 1974, respectively. While withholding pay raises at those two facilities, the firm continued to grant regular increases at three unorganized plants.

THE NLRB and the courts upheld the union's charges that by denying increases at the two plants, Florida Steel unlawfully punished its employees for voting for the union.

The $3.3 million in back pay represents what the company says it owed workers at Indiantown and Charlotte as of February 1980. The final amount of the pay liability remains to be settled. The issue is before an NLRB administrative law judge who is reviewing seven months and 4,000 pages of complex testimony.

While the USWA won elections at the Charlotte and Indiantown plants, it has been unable to gain a first contract at either because the company has illegally evaded its obligation to bargain in good faith, the union says. The Steelworkers continue their organizing efforts at Florida Steel's mills in Jackson, Tenn., Jacksonville, Fla., and Tampa, Fla.

AT CHARLOTTE, 869 present and former workers received back pay under the settlement while at Indiantown the figure was 637.

Florida Steel employs about 2,700 workers at its mills and steel fabricating plants in the Southeast. It makes structural steel products such as reinforcing rods for the construction industry.

Index Shows Economy Still Headed Down

(Continued from Page 1)

Also off were vendor performance, changes in crude material prices, stock prices, and total liquid assets.

The four components that increased were the money supply, new orders for consumer goods, contracts for plant and equipment, and building permits.

The continuing recession and doubts about the prospects for recovery are causing many companies to curb capital spending plans. A survey of the National Machine Tool Builders' Association showed that machine tool producers' new orders skidded 17 percent from February to March, and were down 61 percent from a year earlier.

THE NATIONAL Association of Purchasing Management, polling its members, reported that new orders, production, and employment continued to deteriorate in April. Only 17 percent said their companies were operating at 90 percent of normal capacity or better, the lowest number in 21 years. The number indicating their production rate was below 50 percent was the highest since May 1961.

In the construction industry, spending in March fell eight-tenths of 1 percent from the February level and was 7.6 percent below the year-earlier rate, the Commerce Dept. reported. Building outlays have been weak for months because high interest rates have driven up the cost of mortgage and construction loans.

Meanwhile, the Bureau of Labor Statistics reported that productivity in the nation's nonfarm business sector rose at a seasonally adjusted annual rate of three-tenths of 1 percent in the first three months of this year—a reflection of the impact of the recession.

THE SLIGHT gain in the output per paid hour of work occurred because employers cut payroll costs during the quarter by a greater amount than they cut output, BLS said. Businesses cut paid hours at a 3.3 percent rate as output fell by 3 percent.

In another gloomy economic report, the Commerce Dept. said the nation's merchandise trade deficit was $2.6 billion in March. The trade deficit for January was $5.1 billion and for February $1.2 billion.

NATIONAL WINNERS in the annual "Ability Counts" essay contest for high school students are congratulated at an awards ceremony sponsored by the AFL-CIO during the annual meeting of the President's Committee for Employment of the Handicapped in Washington. From left are Everett Lehman, director of special services for the International Brotherhood of Electrical Workers, Harold Russell, chairman of the President's committee, first prize winner Amanda Hetzel of West Virginia, second prize winner Tracy Dane of New Jersey, and third prize winner Jeffrey Beck of Iowa.

Labor Pledges Aid to Meet Job Needs of Handicapped

The labor movement is strongly committed to working "shoulder to shoulder" with handicapped and disabled people to help them participate fully in the nation's workforce, Everett Lehman, director of special programs for the International Brotherhood of Electrical Workers, told the winners of the national "Ability Counts" essay contest for high school students.

Organized labor is "deeply concerned," Lehman said, about cuts in federal programs that aid disabled people as well as in education programs that have benefited all the nation's youth.

LEHMAN, representing AFL-CIO Vice President Charles H. Pillard who is vice chairman of the President's Committee for Employment of the Handicapped, pointed out that the AFL-CIO and its affiliated unions will "stand firm in our commitment" to work with disabled people, with employers and with government to assure that handicapped persons have access to training programs and to placement in decent jobs.

He stressed that a key to accomplishing that goal, however, is reducing the current high unemployment rate for all working people.

The essay contest winners, their families and many of their teachers were the guests of the AFL-CIO at an awards luncheon held during the annual meeting of the President's committee. AFL-CIO Vice President Joyce Miller chairs the committee's labor panel.

THE STUDENTS' trips to Washington for the ceremony were paid for by the federation and its state central bodies.

Also addressing the luncheon was the chairman of the President's committee, Harold Russell, who urged the students to continue their interest in the concerns of the handicapped as they become adults and themselves enter the workforce.

Russell, who has been a member of the Meat Cutters, is well-known for movie and television appearances as an actor in films that deal with the concerns of disabled people including "The Best Years of Our Lives" and "Inside Moves."

THE FIVE national winners, along with 27 other state winners wrote on the theme "Disabled People at Work." The five top winners shared $6,450 in cash scholarships donated by the Disabled American Veterans.

First prize of $2,000 went to Amanda Hetzel of West Virginia. Second prize of $1,500 went to Tracy Dane of New Jersey; third prize of $1,200 went to Jeffrey Beck of Iowa; fourth prize of $1,000 to Glenn Miley of New York; and fifth prize of $750 to Vickie Willis of Montana.

UAW Members Ratify Pact With International Harvester

Detroit—The Auto Workers overwhelmingly approved a new 29-month agreement with the ailing International Harvester Co., giving the firm concessions in return for greater job security, expanded employee involvement in management decisions and a profit-sharing plan.

UAW Vice President Stephen Yokich said the new contract, which covers some 18,000 active and 10,000 laid-off hourly paid workers in nine states, was ratified by 64 percent of union members voting on the pact.

"WE BELIEVE that this new agreement is an important, supportive measure to help Harvester withstand a difficult period, and one which will enable our members to share in the profits we are confident the company will be making in the future," Yokich said.

Concessions accepted by the union include a freeze on general wage increases through the life of the agreement; deferral of three cost-of-living adjustments scheduled this year, for 18 months; elimination of a number of paid personal holidays and vacation days, and suspension of vacation and Christmas bonuses.

For its part, Harvester agreed to maintain "equality of sacrifice" among all its employees, including management. It also agreed to give 60 days' notice before hiring outside contractors to supply parts and, "when possible," six months' notice before any plant closures.

In what the union described as "a historic breakthrough," UAW members will share in any Harvester pretax profits on its domestic operations in fiscal years 1983 and 1984. The complex profit-sharing formula is tied to the amount of U.S. profits and the number of hours worked by each employee.

Other provisions include agreement by Harvester to deposit $6 million in the workers' supplemental unemployment benefit program on Nov. 1, with the funds to be used to pay benefits owed from last Nov. 8; stronger grievance procedures; the maintenance of current pension benefits. and agreement to resolve at the local level UAW complaints that Harvester employs too many supervisors in proportion to workers.

The pact contains a provision permitting reopening of the contract if Harvester's worldwide pretax profits exceed $300 million in any two consecutive quarters.

THE AGREEMENT with the agricultural implement manufacturer was reached five months before the union's existing contract with the company was to have expired.

Meanwhile, the union agreed to an American Motors Corp. request for "further consideration" of a new UAW agreement with the auto maker which was essentially killed when Local 12 in Toledo voted against it. Earlier, AMC locals in Milwaukee and Kenosha, Wis., approved the pact, which provided for an employee reinvestment plan aimed at saving the company more than $100 million.

Auto Workers Certified At Mississippi GM Plant

Meridian, Miss. — The Auto Workers won recognition as bargaining agent for some 415 production and maintenance employees at General Motor's Delco Remy plant here.

UAW Vice President Owen Bieber, who heads the union's GM department, said that recognition came after an independent arbitrator certified that a majority of the employees had signed cards authorizing the UAW to represent them.

Bieber noted that recognition means that the Meridian workers now are covered by provisions of the union's new master agreement with GM, including a two-year moratorium on plant closings, supplemental unemployment benefits, and a prepaid legal assistance plan. A local agreement now must be worked out, the UAW noted.

Job Security Key Concern In GE Talks

New York—Greater job security and no contract givebacks emerged as the top concerns of union negotiators who opened talks with General Electric Co. on a new national agreement here.

President David J. Fitzmaurice of the Electrical, Radio & Machine Workers, which represents the largest number of the company's 101,000 organized workers, said other bargaining goals include improved cost-of-living protection, greater insurance and pension benefits for active and retired workers, and "substantial general wage increases on a percentage basis to do justice for both hourly and salaried workers, as well as additional increases for skills."

THE TALKS with GE, the largest U.S. electrical manufacturer, normally set the pattern for the rest of the industry. The firm's contracts with workers represented by IUE and 12 other unions expire at midnight June 27. The 13 unions, which participate in coordinated bargaining in the industry, will also be negotiating with the nation's other electrical manufacturing giant, Westinghouse. Those talks are scheduled to begin on May 20.

Emphasizing the need of GE workers for greater job security, Fitzmaurice said the IUE's 70,000 members at GE "want guarantees against being cut adrift in the middle of their working lives, with the burdens of mortgages, car payments and children's education on their backs.

"They want the plants in which they work kept open and the production lines kept humming."

FITZMAURICE, speaking on behalf of the IUE-GE Conference Board which coordinates the negotiating efforts of all participating unions, noted that GE is prospering and its future outlook "is for more of the same."

Sitting in on the GE talks were representatives of all the unions that make up the AFL-CIO Coordinated Bargaining Committee of General Electric & Westinghouse Unions.

Court Overturns Fines, Jailings in Teachers' Strike

Hartford, Conn.—A unanimous Connecticut Supreme Court ruled that a superior court judge demonstrated bias in a 1975 teachers' strike case in which he imposed harsh penalties on the union and its members.

The justices held that Judge George Saden, now retired, should have removed himself from the case because of the public comments he made in a newspaper article while the case was pending.

During the 11-day strike, Saden ordered the jailing of 90 members of the New Haven Federation of Teachers for violating his injunction against the strike and fined the AFT local $224,500.

THE HIGH COURT ruling nullifies Saden's findings and returns the case to the superior court to determine if the union can recover the money that it has paid out in fines.

In upholding the union's petition that Saden was not qualified to handle the case because of his bias, the court said the judge "clearly demonstrated such a personal interest in the case that his impartiality could reasonably be questioned."

The New Haven Teachers welcomed the decision, stressing that the state high court sustained the position long held by the union.

Frank Carrano, president of the AFT local and head of the New Haven AFL-CIO, said the union will now have an opportunity to go before a new superior court judge "to argue our position that Saden's order to incarcerate and fine the teachers did constitute excessive punishment."

Downey Introduces Package

Labor's Tax Proposals Embodied in House Bill

(Continued from Page 1)

Downey's bill, which he titled the Economic Recovery Tax Act (H.R. 6257), is co-sponsored by Rep. James M. Shannon (D-Mass.), also a member of the Ways & Means Committee. A third member of the committee, Rep. Frank Guarini (D-N.J.), had earlier sponsored a key element of the tax reform package—a limit of $700 a year on 1982 and 1983 individual income tax cuts.

THE $700 CAP, which would not affect most households with incomes of up to $40,000, would raise an estimated $27.7 billion through Fiscal 1984.

The Downey bill would also repeal the indexing provisions of last year's tax law, with savings starting at $9.8 billion in Fiscal 1985 and climbing rapidly thereafter.

A provision increasing the percentage of long-term capital gains included in taxable income from 40 percent to 50 percent would raise $1.2 billion next year and more than double that amount the following year.

The phaseout of the windfall oil profits tax would be halted, adding more than $2 billion in revenues over the next two years.

LEASING provisions of the 1981 tax law, which allow firms to buy and sell tax credits through paper transactions would be repealed except for mass transit equipment, saving the Treasury $1 billion this fiscal year, $2.9 billion in 1983 and $4.6 billion the following year. Repeal of foreign tax credits would save $9.7 billion over two years.

Taxation of foreign income when earned would bring in $8.8 billion over the first two years, rising in future years. Reduction of the regular investment tax credit rate from 10 percent to 7 percent would bring in $3.6 billion next year and $8.1 billion the following year.

Other substantial savings would come from such measures as limiting the reduced tax rates on the first $100,000 of corporate income to small corporations, and ending various windfalls for oil and gas producers.

Whatever faint hope there may have been for a bipartisan consensus on the budget evaporated when the President stood firm on his refusal to abandon the tilted-to-the-rich tax cuts that are the heart of his "supply-side" economics.

WHEN THE bipartisan gambit failed, Republicans on the Senate Budget Committee worked out their own deal with the White House.

The GOP plan, which Committee Chairman Pete V. Domenici (R-N.M.) said Reagan will "endorse and support," does not specify how Congress is to achieve $40 billion in social security reductions.

It would freeze all government salaries and pensions for one year, and limit federal employees to a 4 percent raise in the next two years. Defense spending would rise, but all other government programs would be held to current spending ceilings for the next three years, which translates into a reduction each year in after-inflation constant dollars.

THE FIRST budget resolution, which is supposed to clear Congress by May 15, will set spending "targets" for various broad categories of government programs, leaving it to the legislative committees responsible for these programs to take the action needed to stay within the spending ceiling. And it would be up to the tax-writing committees to bring to the floor legislation to achieve the revenue goals.

The House Budget Committee has not yet begun its markup of a budget resolution. Last year, Reagan was successful in breaking the Democratic majority in the House with the votes of a bloc of conservative Democrats while holding the support of moderate Republicans.

This year, with the Reagan recession in full swing, the White House grip is much less firm. At a Republican fund-raising dinner in Washington, Reagan sought to rally his congressional troops.

"LET'S GO to the American people," Reagan urged. "Let's remind them of the economic mess we inherited when we took office."

The Budget Coalition had a different interpretation. The current recession started last July, the coalition noted, six months after the change of Administration. Policies embraced by the Reagan Administration, the coalition said, have thrown businesses into bankruptcy, hurt farmers and "brought 9.9 million Americans to the unemployment rolls, sending their families into poverty."

RALLY FOR FAIR WAGES drew over 1,500 union members and their families to a march through downtown Mobile, Ala., protesting use of local bond money to finance non-union construction projects paying substandard wages. The demonstration, led by the city's building trades, also pointed up the need to reinstate Alabama's prevailing wage law, repealed in 1979.

Election Viewed as Chance To Send Signal to Reagan

New York—America's voters must give President Reagan a strong signal in this year's elections that there can be no more cuts in employment and entitlement programs, AFL-CIO Social Security Director Bert Seidman told the Jewish Labor Committee's biennial convention.

"We must elect candidates who can make America what it can be—a nation which provides jobs for all who can work and compassion for those who cannot," he stressed.

"THOUSANDS OF elderly people have died during the past winter because they have faced the cruel choice of heating or eating. A generation of poor children—especially blacks and other minorities in the crowded ghettos of our cities—have been stunted by the cruel cuts in unemployment insurance, welfare, food stamps, Medicaid, immunization and school lunch programs."

Seidman told the 700 convention delegates that Reagan has temporarily refrained from imposing deep slashes in social security benefits he sought a year ago only because of the strong public outcry.

"But make no mistake about it," he warned, "social security is still in dire jeopardy. Even now, some members of Congress, with the connivance of the White House, are considering immediate cutbacks in social security cost-of-living protection.

"AFTER THE election, the wraps will be off and the Administration can be expected to launch once again an unrelenting attack on the very foundations of the system."

Another major speaker, Ambassador Max Kampelman, chairman of the U.S. delegation to the Madrid conference on the Helsinki accord, accused the Soviet Union of violating human rights of trade unionists and Jews.

He said the Soviets are throwing union activists in jails and mental institutions in attempts to prevent the emulation of a Polish-style Solidarity movement in Russia.

KAMPELMAN ALSO charged that "the Soviet Union is clearly identified with a pattern of anti-Semitic behavior that could not function without government support or acquiescence."

In the USSR, he said, psychiatry has been perverted into an instrument of cruel political repression and men and women exercising their rights as human beings continue to be condemned to institutions where they are silenced with drugs.

Kampelman formerly served on the staffs of the Ladies' Garment Workers and the Clothing & Textile Workers.

THE CONVENTION re-elected Donald Slaiman, deputy director of the AFL-CIO Dept. of Organization & Field Services, as JLC president. President Albert Shanker of the Teachers was elected to a new two-year term as secretary. Also re-elected was JLC Executive Director Emanuel Muravchick.

Delegates adopted resolutions reaffirming support for the AFL-CIO's positions on the Equal Rights Amendment, the federal budget, the Polish Solidarity movement, imports and foreign trade, and affirmative action.

EPA Sued for Data on Toxic Pesticides

The AFL-CIO and six environmental organizations are suing the Environmental Protection Agency for the release of information on 11 toxic pesticides that pose serious health risks to workers and the public.

A suit filed in federal district court in Washington accuses EPA Administrator Anne M. Gorsuch of illegally blocking access to documents on the hazardous substances.

The labor and environmental groups sought scientific data on the pesticides that are suspected of causing nerve damage, cancer, birth defects, sterilization, genetic mutations and other health damage to humans.

Producers, distributors and sellers of the chemicals must submit pre-market testing data to EPA under a 1972 federal law, and the agency is required to make the information available to the public under 1978 amendments to the law.

But Gorsuch slapped a "moratorium" on the release of the information "at the urging of several major pesticide producers in direct violation of federal law," the AFL-CIO and the National Resources Defense Council (NRDC) charged in a joint statement.

IN ADDITION to the federation and NRDC, other parties to the suit are the California Agrarian Action Project, Environmental Defense Fund, Friends of the Earth, National Coalition Against Misuse of Pesticides and the Sierra Club.

In asking the federal court to order Gorsuch to release the data, the suit notes that EPA also foiled attempts by the parties to obtain the test results under the Freedom of Information Act.

The labor and environmental groups have expressed concern that the test results are essential in determining the threat to public health and safety posed by the chemicals as well as in establishing limits on the amounts of pesticide to be used on food and animal feed.

THE AFL-CIO and NRDC pointed out that recent findings show that the scientific data submitted to the EPA is often incomplete, inadequate or fraudulent.

"A series of congressional investigations uncovered evidence of fraud by the largest domestic source of these studies—the Industrial Bio-Test Laboratory, Inc.," they charged.

Four officials of the testing laboratory have since been indicted "in connection with these fraudulently conducted health and safety studies," the joint statement noted.

Even so, some 200 pesticides registered by the EPA on the basis of the laboratory's questionable studies continue to be used throughout the country.

AFTER CONGRESS passed the 1978 amendments to the Federal Insecticide, Fungicide & Rodenticide Act (FIFRA), the pesticide industry attempted unsuccessfully to have the law overturned through court challenges.

With FIFRA now up for extension, AFL-CIO Occupational Safety Director George H. R. Taylor warned that industry is lobbying Congress to weaken the safeguards in the law. On the other hand, labor is seeking to strengthen worker protection because of the "major cutbacks in the EPA enforcement program," he said.

Directly Affiliated Local Joins OPEIU

New York—President John Kelly of the Office & Professional Employees announced that the 1,100-member Directly Affiliated Local Union 98 in Cincinnati has voted to join OPEIU.

"Local 98's interest in affiliating with the OPEIU is to pursue continued organizing of workers in related industries and in the white-collar field," Kelly said.

Other new membership additions to the union include the chartering of Local 512, the Michigan Institutional Supervisors, in Lansing, Mich. and the affiliating of some 350 Coca Cola Bottling Co. employees in Chattanooga, Tenn.

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Jobless Rate Hits 9.4%, Reagan Policies Scored

House Adopts Subsidy Plan On Mortgages

By David L. Perlman

The House rebelled against a do-nothing Administration and approved mortgage interest subsidies for moderate-income homebuyers.

A lopsided 349-55 majority passed the bill in defiance of a presidential veto threat, sending it on to the Senate. The House then followed through by adding the $1 billion cost to an "urgent" appropriations bill carrying funds for the remainder of this fiscal year.

THE AFL-CIO had endorsed mortgage subsidies as one phase of a broader housing expansion, including rental assistance and public housing. But while the scope of the House-passed bill is limited, its enactment would be a boon for the unemployment-plagued housing industry as well as families priced out of the market by high interest costs.

Rep. Fernand St Germain (D-R.I.), floor manager for the bill, termed it "much more than a housing bill," even though it would "provide thousands of American families with decent housing."

It is also "clearly a jobs bill," he told his colleagues, generating work for the building trades and also for timber workers and "the panorama of industries which manufacture products that go into houses."

ST GERMAIN estimated that at least 74,000 new housing units would be built under the program. He said the $1 billion in federal budget authority "would assist in the creation of 140,000 new jobs in housing-related industries; would increase federal, state and local tax revenues by $1.2 billion, and would have the effect of increasing the gross national product by $11 billion."

Under the legislation, priority would be given to first-time home buyers.

For families with incomes of 115 percent or less of the area median income, the subsidy would last at least seven years and could amount to as much as 6 percentage points below the market rate, but not below 9.5 percent.

THOSE WITH incomes between 116 and 130 percent of the median could get a subsidy of up to 4 percentage points, but not below 10 percent, for a five-year period.

Purchasers would have to pay at least 25 percent of their income toward the mortgage in order to qualify. The homeowner would have to repay the subsidy on selling the home or else pay 50 percent of the increase in the value of the property, whichever is less.

Housing assistance could continue beyond the seven-year and five-year limits if assistance is still necessary and money is available from funds paid back on resales.

David A. Stockman, Reagan's budget director, wrote House Republican Leader

(Continued on Page 7)

LABOR'S HIGHEST HONOR, the Murray-Green-Meany Award, is presented to Msgr. George G. Higgins by AFL-CIO Sec.-Treas. Thomas R. Donahue. Joining in the presentation at the national Community Services conference in Chicago is Walter G. Davis, director of the Dept. of Community Services.

For Humanitarian Services

Labor's Highest Award Given to Msgr. Higgins

Chicago—The AFL-CIO presented its highest award for humanitarian services to Msgr. George G. Higgins, a staunch ally and constructive critic of the trade union movement, at a dinner highlighting the federation's national community services conference.

Higgins accepted the Murray-Green-Meany Award "on behalf of all of my associates in the Catholic social action movement" who remain committed to social justice and "defense of human freedom at home and abroad."

The award, presented by AFL-CIO Sec.-Treas. Thomas R. Donahue, honored a clergyman who over a 40-year period has marched with farm workers, brought the AFL-CIO's greetings to the first convention of Poland's Solidarity labor federation, and won the affection of several generations of union leaders. He retired last year from his post with the U.S. Catholic Conference and is currently associated with Catholic University in Washington.

AFL-CIO Vice President Alvin Heaps, president of the Retail, Wholesale & Dept. Store Union, was master of ceremonies for the banquet. Heaps chairs the federation's community services committee.

Higgins spoke to the group of his recent trips to Poland and Brazil and of his deep conviction that "the labor movement, with all of its faults, has an indispensable role to play, at home and abroad, in promoting social justice and safeguarding human freedom."

He pointed out that Poland, a communist-dominated nation, and Brazil, a military dictatorship, have one thing in common—"they will not tolerate free and autonomous labor unions."

HE ADDED: "This represents a very serious international crisis. Of all the organizations able and willing to face up to this problem in an effort to turn it around, the Church and organized labor are the most important."

Donahue, in presenting the award, said that Higgins has been all over the country and all over the labor movement and the Church in the fight for human and economic justice.

"The $5,000 and the medallion are secondary and are only outward and visible

(Continued on Page 2)

Job-Creation Steps Pushed By Kirkland

By James M. Shevis

Organized labor called on Congress to scrap President Reagan's economic policies in the face of the highest unemployment rate in more than 40 years, and turn its full attention to writing a new economic program that makes the creation of jobs the nation's No. 1 priority.

"The New Hooverism is a failure," said AFL-CIO President Lane Kirkland as the Bureau of Labor Statistics announced an increase of four-tenths of 1 percent in the jobless rate, to 9.4 percent in April.

"IT IS TIME to promote the recovery before we slide into a new depression," Kirkland declared.

Last month's jobless rate was the highest the nation has seen since the 9.9-percent annual average recorded for 1941 at the end of the Great Depression. BLS did not begin keeping monthly statistics on unemployment until 1947. The April jobless rate, reflecting 10,307,000 unemployed Americans, eclipsed the 9-percent postwar peak set during the severe 1973-75 recession and matched last March.

"Reaganomics has increased unemployment by nearly one-third in less than a year," said Kirkland. "Instead of the economic recovery the Administration promised, this spring has brought the worst recession in 40 years."

SINCE LAST July, when most analysts agree the nation's eighth business recession since the end of World War II began, the national unemployment rate has risen more than 2 percentage points, from 7.2 to 9.4 percent, and the number of unemployed workers has increased by 2.5 million, BLS reported.

Kirkland called April's increase in

(Continued on Page 8)

Social Security Panelists Hit Senate Budget Scheme

AFL-CIO President Lane Kirkland and four other members of the National Commission on Social Security Reform charged that the integrity of the bipartisan study has been jeopardized by the attempt of Senate Republicans and the White House to use the congressional budget process to dictate the outcome.

Their protest was directed at the budget resolution adopted by the Senate Budget Committee on a party-line vote and warmly endorsed by President Reagan. It mandates a $40 billion "savings" in social security outlays over the next three years—with the cuts to achieve this supposedly based on recommendations of the national commission later this year.

SUCH AN ASSUMPTION prejudges the commission's conclusions and flatly contradicts President Reagan's assurance just days before that social security cuts wouldn't be used "to balance the budget," the five commissioners charged.

Joining in the statement, in addition to Kirkland, were Sen. Daniel Patrick Moynihan (D-N.Y.); Rep. Claude Pepper (D-Fla.); Robert M. Ball, who headed the Social Security Administration for more than a decade, and Martha Keys, a former member of the House from Kansas.

THEY WERE among the 10 persons named to the commission last December by House and Senate leaders. Five others, including Chairman Alan Greenspan, were appointed by President Reagan.

The commission will have until Jan. 1, 1983 to submit its recommendations but the Senate Budget Committee asked that

(Continued on Page 6)

OSHA Assailed For Blackout of Enforcement Data

The AFL-CIO has accused the Occupational Safety & Health Administration of imposing a blackout on public information dealing with enforcement activities of the agency.

OSHA has failed to honor the federation's requests for monthly compliance activity reports since last December, AFL-CIO Occupational Safety Director George H. R. Taylor charged. As a result, the federation is invoking provisions of the Freedom of Information Act in an effort to obtain the data.

In a letter to OSHA Administrator Thorne G. Auchter, Taylor pointed out that compliance reports and other information were readily provided under four

(Continued on Page 7)

UNION-BUSTING TACTICS of Litton Industries are protested by 500 members of the Coalition of Labor Union Women at the corporate headquarters in Beverly Hills, Calif. CLUW convention delegates joined in the protest.

Labor Gives Top Award to Msgr. Higgins

(Continued from Page 1)

signs of our inner feelings toward someone who has established milestones on the road to human solidarity that the rest of us can try to follow," he said.

"Higgins has faith in the labor movement, but he has not been uncritical . . . he has restored our sense of proportion by pointing out to us and to our Maker all the things that yet remain to be done. In that way he helps see to it that we keep looking ahead, as he does, instead of looking back."

DONAHUE observed that Higgins's message of "human solidarity, human responsibility and human hope" is also transmitted by the AFL-CIO's network of community service workers whose task has grown harder with every cutback or cancellation of resources for federal, state and local social programs.

He noted, for example, that "plant closings are overwhelming the resources of both public and private social agencies, and yet the doors are closing and the shutters are going up at nearly all the federal agencies created by the people of America after the Great Depression to prevent any repetition of the disasters visited on human beings by an uncontrolled market economy."

Donahue recalled that on Solidarity Day, last Sept. 19, more than 400,000 persons protested the "inhuman social policies" of the Reagan Administration. "They will march again," he said, on Nov. 2—Solidarity Day II—to elect a Congress "to get back on the road to human justice and human brotherhood."

HIGGINS, in his response, said President Reagan is "off base" when he places the burden of social services on church, labor and private social agencies.

"The President . . . is woefully out of touch with reality," he said, "if he really thinks that individual Good Samaritans can solve the enormously complex social and economic problems of 20th-Century America.

"He is also whistling in the dark if he thinks that churches and other voluntary agencies, in a period of very high unemployment, can make up for his own massive budget cuts in the field of social welfare."

Churches know "that they have an important social service role to play and are prepared to develop a balanced and realistic partnership with government," Higgins said. "They are not about to take the blame, however, for the government's decision to default on its own responsibilities."

Reagan Policies Draw Heavy Fire At Community Service Conference

Chicago—"Building Effective Coalitions for Labor and the Community" was the central theme of the 21st National AFL-CIO Conference on Community Services here, but the message of speakers was that President Ronald Reagan's methods and policies have placed too many burdens on American working families, the jobless and the poor.

The conference was held at "a difficult time for our nation and our labor movement . . . never has there been a greater need for community services," President John J. Sweeney of the Service Employees told the 372 delegates in a luncheon address.

SWEENEY SAID labor has succeeded over the years in the face of endless employer opposition and unending political attack. "We have confronted discrimination and we're on our way to overcoming it," he declared. "Now we are confronting Ronald Reaganism and we will overcome that, too."

He hailed the community service staff representatives for developing programs to "improve the quality of life outside the plant gate, outside the shop and outside the office or store" and integrating union members and their families in community affairs.

"THE REAGAN plan is simple," he said. "We must have less so the rich and the corporations can have more. We must live in an unhealthy environment and work in an unsafe workplace so that corporate profits may increase. We must pay more taxes so big business may pay none."

Sweeney reminded social service agencies supported by labor that they have a responsibility to encourage organization of their employees and to bargain with them.

"We cannot support those who fight us," he said, noting that in Chicago the Lutheran Welfare Agency is using United Way Funds to pay fees of union-busters.

WALTER G. DAVIS, director of the AFL-CIO Dept. of Community Services which organized the conference, declared in his keynote address that the nation is in a state of economic, social and political decline under an Administration that is seeking to wipe out 50 years of social progress.

"Workers are in double jeopardy," Davis said. "Reagan economic policy kills their jobs, then their benefits are curbed by budget cuts. We are alarmed because millions of people who rely on Aid to Families with Dependent Children for life support have no chance to get out of poverty."

He warned that difficult times lie ahead for state and local central bodies and community services representatives. When the President's Task Force in Private Sector Initiatives "self-destructs," he said, governors and mayors will be asked to create similar committees; organized labor must be in on the ground floor when these groups are organized. He said labor action in this area will show that unions care and can help people in need.

MUCH OF the conference was devoted to workshops dealing with the Human Side of Plant Closings, Labor and Employee Assistance Programs, Present Status of Day Care, Central Labor Councils and Community Services, the Impact of Budget Cuts on Community Services, and Union Counseling in the '80s.

Bert Seidman, director of the AFL-CIO Dept. of Social Security, said labor is fighting the rash of withdrawals of hospitals from the social security system as a tax-saving measure that is detrimental to employees. Once hospitals pull their workers out of the system, he pointed out, they can't get back into the program.

"There is no substitute for social security, "he said. "There is no program that offers the same kind of protection."

SEIDMAN SAID labor must continue to fight cuts in vital health care programs, work with broad-based coalitions for health and other social programs, and go to the polls on Solidarity Day II next November "to elect a Congress that cares about people and their problems."

Robert M. Ball, senior consultant to the Study Group on Social Security and former head of the Social Security Administration, warned that President Reagan, while appearing to retreat, still is out to gut the social security system. He said the early cuts in the program won by Reagan are nothing compared to his subsequent proposals.

"You don't save a program by destroying large parts of its protections," Ball observed.

He explained that while social security has some short-term financing problems, the long-range outlook is very good.

William R. Hutton, executive director of the National Council of Senior Citizens, blistered the Administration for attempting to reverse the positive policy on aging that the nation has developed over the years. He attacked the budget cuts that deepen the hardships of the elderly in such areas as housing and health care.

THE AGED are asked to accept an intolerable burden while only the rich have been helped by the "corrective action" of Reagan economic policy, Hutton asserted.

Other speakers included William A. Aramony, president, United Way of America; John H. Filer, chairman, Committee on Liaison with National Organizations, President's Task Force on Private Sector Initiatives; George M. Elsey, president, American Red Cross; and Robert E. Gibson, president, National Foundation for Consumer Credit.

Committee Votes Endorsement for Public Jobs Bill

A public service jobs bill targeted to areas of highest unemployment won a 19-9 endorsement from the House Education & Labor Committee despite strong Administration opposition.

The labor-supported measure, sponsored by Rep. Augustus Hawkins (D-Calif.) as a companion to the job training package the committee approved last month, leaves the scope of the program to the congressional appropriations process. Committee studies estimate about 225,000 job opportunities.

Long-term unemployed would be given hiring preference for jobs repairing and rehabilitating public facilities and in public safety and public health fields. Grants to eligible communities would have to be used within one year so as to achieve the goal of economic stimulus.

The committee also approved by voice vote a Civilian Conservation Corps program for youths between 16 and 25, to be financed by revenues from federal timber sales or leasing of mineral rights.

President Urged to Invoke Safeguards of Trade Law

Enforcement of existing laws would best achieve the goal of bills that seek to lower barriers other nations have erected against U.S. products, the AFL-CIO testified at Senate hearings.

Legislative Rep. Stephen Koplan said President Reagan already has powers under the Trade Act to retaliate against countries that impose non-tariff obstacles to American exports while taking advantage of open access to the vast U.S. market.

HE EXPRESSED the AFL-CIO's concern that the "reciprocity" bills being considered by a Senate Finance subcommittee "divert attention from the real problem," which is failure to enforce existing laws.

This Administration has an even poorer record than its predecessors, Koplan testified. "Year after year," he said, "the strong, broad-based industrial machine that was America has been weakened and its workers displaced" because of foreign trade practices.

He said the AFL-CIO appreciates the efforts of members of Congress who have introduced bills to achieve reciprocity in international trade. But "it is our belief that existing laws covering unfair trade practices, such as dumping and allowing for countervailing duties, were designed to establish fair and reciprocal trade," he observed.

KOPLAN NOTED that while the Reagan Administration continues to give lip service to the principle of reciprocity, it has no such concept in its pending Caribbean Basin Initiative, which would allow "funnelling imports from the world through the Caribbean countries into the U.S. market."

Likewise, he noted, the "trigger price mechanism" established to counter subsidized steel imports has been removed "despite the fact that employment in the U.S. steel industry is the lowest since the Depression year of 1933."

"The AFL-CIO believes that this nation cannot afford a U.S. policy that substitutes rhetoric for effective programs and action to make reciprocity a reality," Koplan testified. "Enforcement of existing law and change in trade policy are long overdue."

Organizing Rally Hears Kirkland

Houston Project Termed Long-Term Commitment

Houston—Organizing in a "right-to-work" state like Texas requires a greater effort, but the trade union movement is making progress toward unionizing this city's rapidly expanding workforce, AFL-CIO President Lane Kirkland said. Labor is not about to pack up and leave the field to businesses seeking bigger profits at the expense of workers, Kirkland declared at a rally of some 1,000 Houston construction workers and union officials.

"WE ARE HERE for the long pull," Kirkland said. "We don't expect any gifts, any easy victories or short-term successes. We are here to build and consolidate a union community that will endure as a great positive force for Houston and Texas."

At a news conference following the rally, held during the federation's regional conference here, Kirkland compared the AFL-CIO's six-month-old Houston Organizing Project to the labor drive launched in Los Angeles nearly 20 years ago. Still in operation, the Los Angeles campaign has netted 400,000 new union members.

"That's what we're building in the Houston campaign—a long-term, solid, consistent program," Kirkland said. About 125,000 Harris County workers are now organized, and the potential new membership is believed to exceed 800,000, he observed.

The Houston conference was immediately preceded by a similar meeting in Birmingham, Ala. The last of this year's regional conferences will be in Hartford, Conn., May 20-22.

Kirkland told the Houston rally that it was "altogether logical" to select that area as the target for a major organizing effort because the city "embodies the changes taking place in American industrial society." It is here and in other Sunbelt areas where new industries have sprung up and older companies have relocated, he observed.

"Many of these companies have had what in effect is a free ride—they have paid inferior wages and benefits, they have cut corners and job security provisions, and taken advantage of a political climate that has made the bosses sanctified figures who can do no wrong," Kirkland said.

Noting that 28 AFL-CIO unions have contributed staff personnel and financial resources to the Houston project, Kirkland said:

"THIS IS JUST one more example of the spirit of cooperation and solidarity that marks the labor movement in the era of the 1980s, as we begin our second century."

An "unintended educational effect" of the devastating results of President Reagan's economic programs has been to underscore the value of union membership in hard times, Kirkland pointed out, and this is proving to be an organizing asset.

During the Reagan recession, now in its ninth month, union contracts have protected organized workers from discriminatory layoffs while the unorganized have had to "stand unarmed in front of their bosses, and voiceless in the halls of Congress where decisions sealing their fate are made," he said.

The economic misery generated by Reagan's budget cuts and tight-money policies is now so widespread, so complete, that "some have called the situation a repression," Kirkland said. "That is something past a recession on the way to becoming a depression."

WHILE TEXAS and Houston are not suffering as badly as other parts of the country, it is clear that the ravages of Reaganomics are beginning to have some impact, Kirkland noted. The Bureau of Labor Statistics reported last week that unemployment in Texas rose from 5.9 percent in March to 6.5 percent in April as the national jobless rate soared over the same period to 9.4 percent, the highest level since the end of the Great Depression.

"Organized labor is the positive force, the historic movement which has brought prosperity and security to millions of Americans," Kirkland said. "The union makes workers strong in periods of distress, perhaps even more importantly than in times of prosperity."

HARDHAT AUTOGRAPHS and mini-press conferences marked the day for AFL-CIO President Lane Kirkland, shown here on the 61st floor of an all-union construction job in downtown Houston. Kirkland also visited with a Steelworkers in-plant committee at the suburban Chance Collar Co. and addressed a major downtown rally during his day touring the Houston Organizing Project.

Leadership Courses Scheduled for Women

Four regional summer schools for trade union women will offer special training to help them play more active roles in their unions. The one week schools are sponsored by the University and College Labor Education Association together with the AFL-CIO Dept. of Education and the Coalition of Labor Union Women.

The leadership training institutes will be taught on university campuses and are open to all union women. The Southern School will be held at St. Edward's University, Austin, Tex., June 13-18; the Eastern School will be at the University of Connecticut, Storrs, July 18-24; the Midwest School at the University of Indiana, Bloomington, July 25-30; and the Western School at the University of Oregon, Eugene, July 25-30.

Applications for enrollment are available from national and international unions or from state labor federations.

Additional information is available from the AFL-CIO Dept. of Education.

Airline Bankruptcies Feared From FAA 'Slot' Allotments

The financial problems of established airlines will be exacerbated by the federal government's plan to increase the new airlines' share of scarce service "slots" at flight-restricted airports, the AFL-CIO Airline Labor Coordinating Committee warned.

It said immediate efforts are needed to address the problems and head off "some major upheavals, including the real possibility of several bankruptcies."

SINCE THE committee issued its warning, debt-ridden Braniff International announced suspension of all flights on May 12, and told most of its employees not to report for work. The 54-year-old company appeared on the verge of liquidation or filing for reorganization under federal bankruptcy laws. Braniff employs about 9,000 workers, most of them unionized.

Special treatment for the "new entrant" airlines would cause further hardship to airline employees represented by the five unions comprising the committee, it said in a letter to a House aviation subcommittee. The unions representing 200,000 airline workers are the Machinists, Railway & Airline Clerks, Transport Workers, Air Line Pilots and the Flight Engineers.

DETERIORATING financial conditions of the air transport industry that resulted largely from deregulation measures have had a devastating impact "on the livelihoods of our members and their families," the committee said.

"Faced with this situation, the airlines have turned to us and the employees we represent and literally demanded that we accept wage cuts and deferrals, relaxation of work rules and massive furloughs to solve their problems."

The committee told subcommittee Chairman Norman Mineta (D-Calif.) that the way takeoff and landing slots are being allocated under the Federal Aviation Administration's Interim Operations Plan would further hurt established carriers.

SINCE THE Air Traffic Controllers went on strike last August and their subsequent firing by President Reagan, the FAA has sharply cut back operations at 22 major airports.

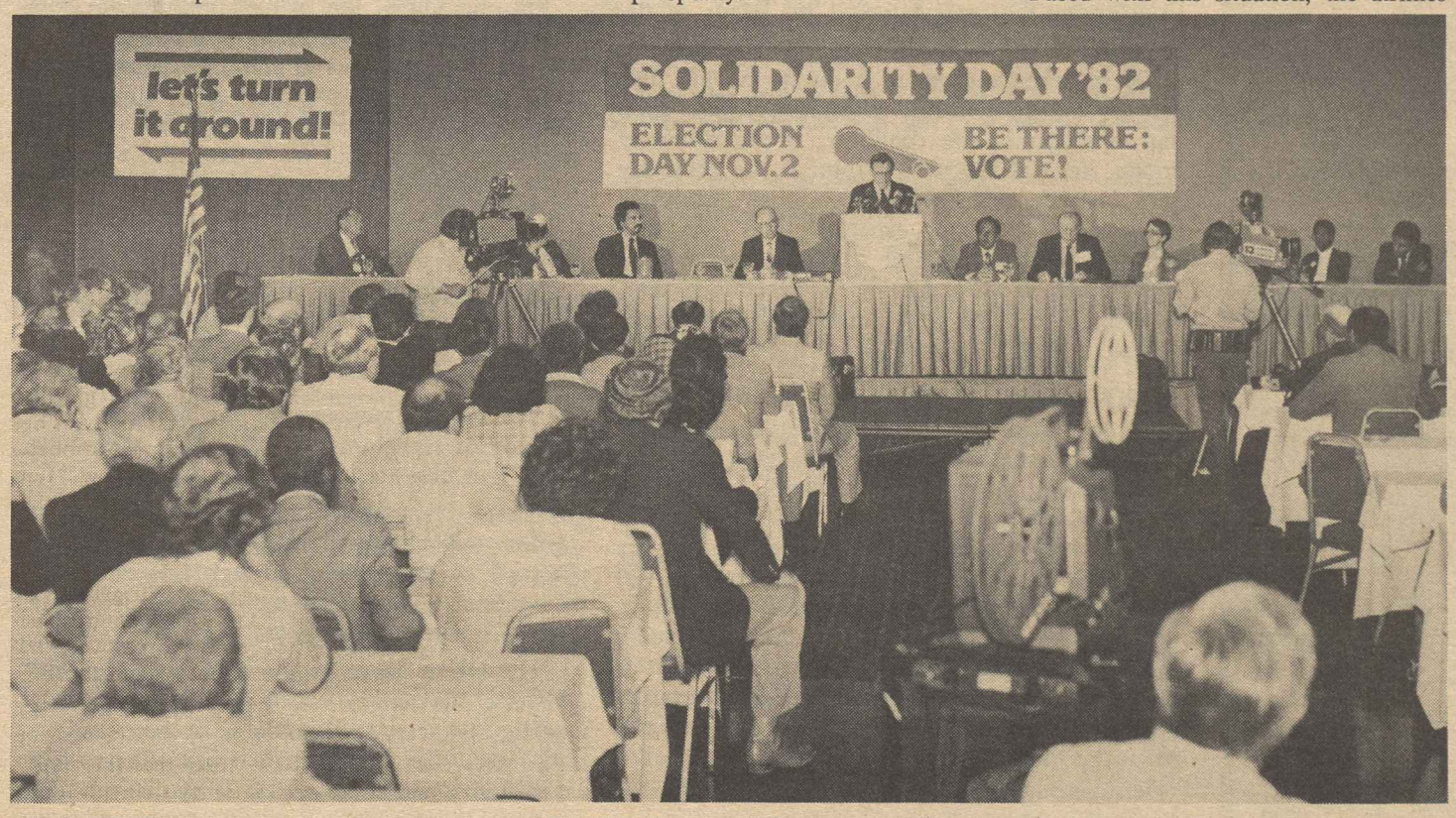
"To date, the FAA plan for capacity reduction has caused the airlines to reduce their schedules substantially and to furlough over 11,000 workers," the coordinating committee noted.

While recognizing that it will take time to rebuild the air traffic control system, the committee said it was getting upset over the FAA's treatment of the new entrants.

"We see new airlines, some of which have not yet begun to operate, being guaranteed scarce slots at congested airports while hundreds of airplanes are parked against the fence and thousands of our members are out of work," the committee told Mineta.

PRESIDENT John J. O'Donnell of the Air Line Pilots branded the allocation plan "unfair," charging that it would give nonunion new airlines "a leg up over the long-established carriers at the expense of union employees."

O'Donnell also said union airline workers are bearing the brunt of tactics by airline management to pay for reduced fares through wage deferrals and productivity concessions. Despite savings of millions of dollars from lower labor and fuel costs, airlines are still losing money because of the "suicidal rate wars," he said.



IT'S TIME to turn the economy around, AFL-CIO President Lane Kirkland told participants in the federation's regional conference at Birmingham. Reaganomics, with its tight-money policy and distorted priorities, has spread economic misery throughout the nation, he said. Alabama's unemployment rate is nearly 14 percent.

Bricklayers to Restore Historic Annapolis House

The Bricklayers have purchased a historic house in Annapolis, Md., that the union plans to restore as a monument to the craftsmen who built it 200 years ago.

Union President John T. Joyce said the "Brice House" will become part of the National Masonry Center and will also serve as a museum containing displays and exhibits open to the public. The restoration is expected to take two years, he said.

The structure, having a brick exterior and a fine plaster work interior, is situated near the Maryland State House in the historic section of Annapolis. It was purchased at auction for $1.3 million.

Election-Year Stirring

BELATEDLY, Congress is starting to realize that this Administration has no program to end the recession or to alleviate its hardships. Clearly, if the economy is not to be left twisting slowly in the breeze, it is up to the legislative branch of government to take the initiative.

The House sent a welcome signal in its 349-55 vote for mortgage interest subsidies that are strongly opposed by the White House, although it would be a mistake to read too much into that single vote. A politically attractive assist to homebuyers and to the moribund homebuilding industry by itself doesn't spell conversion to the broad-based economic recovery program the AFL-CIO has advocated.

Unfortunately, despite some declarations of repentance, this is still the same Congress that just a year ago jerked obediently to every White House knee tap.

STILL, THERE has been at least committee approval of job training legislation that goes beyond the tokenism the Administration advocated and, on the House side, for a public jobs program so desperately needed. There is growing congressional interest in a bill to add 13 weeks of extended unemployment benefits while the jobless rate remains at near-depression levels—even by some of those who last year voted to kill off such programs.

There have been suggestions that these signs of movement away from the failed supply-side rigidity are the restless stirrings of an election-year Congress.

If so, all to the good. A lot more stirring will be needed to get the economy unstuck. And if an approaching election provides the motivation, that's what elections are all about.

Where the Money Goes

THE DOLLAR may not buy as much these days, but some people do manage to accumulate an awful lot of them.

Just yesterday, it seems, company presidents and board chairmen were content with $500,000 paychecks. Now, we find a single corporation, Phibro, paying its two principal officers well over $2 million each in salaries and bonuses last year.

That's the corporate equivalent of breaking the four-minute mile. Meanwhile, the million-dollar-a-year club of company executives has grown so large its prestige has dimmed.

FOR MANY in the club, however, direct earnings are just the tip of the iceberg. Business Week magazine cites examples of tax-sheltered stock options that added as much as $7 million to executive incomes.

At one time, progressive income tax laws enabled the super-rich to contribute to the common weal in some rough approximation of their ability to do so. But a generation of loophole-enlarging was climaxed last year by the supply-side tax cut that President Reagan insists must be preserved at all costs.

To make up for the loss of tax revenue, the President and his congressional allies want to cut still further federal programs for the needy, aged and unemployed.

Let them eat dividends.

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THOMAS R. DONAHUE, *Secretary-Treasurer*

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Lesson One

A Place to Hide

Balanced Budget Amendment Convenient Ploy for President

By Gus Tyler

IN HIS TELEVISED address on the budget, the President of the United States called upon Congress "to pass as soon as possible a constitutional amendment to require balanced federal budgets."

This balanced budget idea was recently labeled by Rudolph Penner, resident economist of the conservative American Enterprise Institute as the "nonsense amendment." And nonsense it is because it is impossible—yes, impossible—for Congress or the President to draft such a budget. The reasons are simple:

TO BALANCE a budget, it is necessary to know in advance just what the income of the government will be and what the expenditures will be. If you don't know how much will come in and how much will go out, you can't balance the budget. Yet, the government cannot know these two basic facts and no amendment to the Constitution can magically fill the heads of the budgeters with the necessary prescient wisdom.

The government cannot know its income. The amount the government takes in depends upon the condition of the economy. If the economy booms, federal revenues boom; if the economy goes bust, federal revenues go bust. But since every Administration, especially this one, has proven repeatedly that it cannot forecast what will happen in the economy in the coming year, to assume that the government will know what its income will be is just so much nonsense.

THE GOVERNMENT does not know what its expenditures will be. If unemployment rises by three percentage points in the year, the cost to the federal government will be $75 billion. If the rate of interest rises, the cost to the federal treasury will rise. If the cost of steel, ships, guns or transportation rise, the cost to government will rise. If farmers produce great quantities of butter, wheat, corn, tobacco, rice, etc., the government will have to spend more on farm subsidies. If more men and women go on to social security than expected, the government will have to pay out more than expected.

None of these costs is predictable at the beginning of the fiscal year. And these are but a few random items. There are many, many more.

No Administration ever has been able to lay out a budget at the beginning of the year that was confirmed in fact at the end of the year. Some Administrations budgeted surpluses and ended up with deficits; other Administrations planned deficits and ended up with surpluses. Everybody knows this—or should know it. The record is there to read.

NO ADMINISTRATION has, of course, been as unable to predict income or outgo as the present Administration. The original forecast for 1982 was a deficit of $34 billion; as we got into the year, the estimated deficit was upped to $60 billion, then $80 billion, and now $100 billion or more.

How did Reagan go so wrong? He believed that his tax cut would so stimulate the economy that total income would increase. But he was wrong. The economy went down instead of up—and so did government revenues. So we're getting the greatest deficit in our history.

Yet, incredibly, the Administration that committed the greatest budgeting boo-boo in history now publicly proposes to make the balance mandatory. Maybe that's exactly why Reagan did what he did. What better way to hide the greatest goof ever than to call for a law that will make any future goof "unconstitutional?"

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Free Bargaining Pays Dividends to All Sides

We have a message for the business community of Houston: Free collective bargaining has great benefits for you, too. . . .

There is plenty of evidence to show that union workers are better workers, and that the mutual respect gained through free collective bargaining brings economic dividends for those on both sides of the table.

Organized labor is the positive force, the historic movement which has brought prosperity and security to millions of Americans—the force that has built the most efficient and productive economic system in the world.

—AFL-CIO President Lane Kirkland at Houston regional conference, May 6, 1982.

'A Curious Game' with the Churches

Administration 'Off Base' in Bid To Shift Responsibility for Poor

The following is excerpted from the address by Msgr. George G. Higgins on his acceptance of the AFL-CIO's Murray-Green-Meany Award, May 5, 1982, Chicago.

SINCE THE MURRAY-GREEN-MEANY Award is sponsored by the Community Services Dept. of the AFL-CIO, it may be appropriate to add a word about the relationship between voluntary service agencies of this type and the federal government—a relationship which is currently up for grabs. This is a problem faced by church-related service organizations as well as by labor-sponsored agencies such as your own. In my judgment, the present Administration is off base in its handling of this problem, as witness President Reagan's recent meeting at the White House with top representatives of church-related and other voluntary service agencies.

The President called on the churches and these other agencies to accept more responsibility for the needy "rather than leaving it to the bureaucracy." In a luncheon speech at the White House, before an audience of more than 100 religious leaders of all denominations, the President talked of what he called the churches' traditional "catalyst" role in helping the poor, adding that he believed that the social welfare field has been "co-opted by government." To clinch his point, he cited the New Testament story of the Good Samaritan. This story, he said, "has always illustrated to me what God's challenge really is. He (the Good Samaritan) didn't go running into town to look for a case worker to tell him that there was a fellow out there that needed help. He took it upon himself."

THIS KIND of sentimental Biblical fundamentalism is embarrassing, to say the least. The President means well, of course, but he is woefully out of touch with reality if he really thinks that individual Good Samaritans can solve the enormously social and economic problems of 20th-Century America. He is also whistling in the dark if he thinks that the churches and other voluntary agencies, in a period of very high unemployment, can make up for his own massive budget cuts in the field of social welfare.

The President is correct, of course, in saying that the churches have traditionally played a "catalyst" role in helping the poor. It goes without saying that they will continue to play this role to the limit of their resources, but it is completely unrealistic to assume that they can do much more than that.

The President's reading of American history is also wide of the mark. He seems to be under the impression that the federal government, at the time of the Great Depression of the late 1920s and 1930s, deliberately "co-opted" the welfare role of the churches and other voluntary agencies. This kind of anti-government rhetoric does violence to the historical record.

The fact is that the government got into the field of social welfare because the problem was too big for the churches and other private agencies to handle. Alas, the problem is still too big for them to handle, and the President is wasting his time trying to persuade the churches that he magnanimously wants to get the government off their backs so that they can resume their proper role in the field of social welfare.

IT IS A CURIOUS game that the Administration is playing with the churches. Having convinced themselves that they have a solemn mandate to reduce the role of government to an absolute minimum, the President and his advisers are now trying to put the monkey on the back of the churches.

The churches are not being taken in by this ploy. They know that they have an important social service role to play and are prepared to develop a balanced and realistic partnership with government. They are not about to take the blame, however, for the government's decision to default on its own responsibilities.

My purpose in elaborating on this point is to suggest that there is no easy or simplistic answer, from the point of view of social ethics, to the twin problem of unemployment and inflation or to any of the other complex economic problems confronting our nation and indeed the entire world at the present time.

My former organization, the U.S. Catholic Conference, while fully prepared to carry its weight in directly aiding the poor, favors a high degree of governmental intervention to solve the problem of unemployment. Specifically, it supported the Humphrey-Hawkins Full Employment Act.

I CONCUR WITH this endorsement, but I fully realize—and I am sure that those who drafted the position papers on this matter also fully realize—that reasonable people may legitimately favor other options.

From the point of view of sound social ethics, however, it seems to me that there can be little room for disagreement with the position taken by the conference and organized labor and many other groups in the United States that full employment is a compelling ethical imperative, that solving the problem of inflation by creating high levels of unemployment runs contrary to the dictates of social justice, and that voluntary agencies cannot be expected to pick up all the slack.

Public Concern Mounting

Donahue Predicts '82 Election Will Repudiate Reagan Policies

THE POLITICAL PULSE of the current series of regional meetings between AFL-CIO national officers and state and local union leaders indicates that the Reagan coattails will be a heavy handicap in the 1982 congressional elections, AFL-CIO Sec.-Treas. Thomas R. Donahue said in a network radio interview.

Citing a "growing fear among working people about unemployment" and the prospects that one out of four blue-collar workers faces layoff this year, Donahue said "those brave or foolhardy enough to run on a Reagan program" face a steep uphill battle in the fall. The Administration's policy that "inflation is the only issue to be dealt with and ought to be controlled at the price of accepting this unthinkable level of unemployment" is unacceptable to the American people, he said.

Questioned by reporters on the Mutual radio interview, Labor News Conference, Donahue pointed out that a wide array of economists now agree that unemployment—already at 9.4 percent—will continue to rise, and that "even the Administration doesn't pretend that it is going to come down with any great speed"—probably no more than a point a year.

"That's a terribly painful prospect," he observed, one that leads not only to such consequences as increased drug use and crime but also to the "destruction of lives of kids who are growing up today in the ghettos of this country and who now have no hope—just no hope."

Donahue said the Administration's cutoff of training and job-creation programs has left these young people with little or no chance of fitting into the job market and is creating "a whole new group of problems" for the nation.

HE SAID that while the Administration talks about America being equal to the technological future, it also contends that there is "no role for the national government in planning for those times—in looking ahead to how many scientists, how many computer operators, how many of whatever specialty employment we will need."

Instead, it is seeking to shift that responsibility to the states—a burden that the states are incapable of handling, he asserted.

By Press Associates, Inc.

THERE ONCE WAS a powder-puff fighter named Joey Maxim who was an artist at bobbing and weaving and slipping punches. They couldn't lay a glove on him, as the saying goes. Even the great Sugar Ray Robinson chased Maxim for 15 rounds in vain.

President Reagan certainly must rate as the Joey Maxim of politics.

Last year, the President set out to cut taxes, cut social spending, raise defense spending and balance the budget, all at the same time. The supply-side concept of rational expectations was based on the argument that since people knew they were getting three straight annual tax cuts, they would invest, work hard and prosper, knowing they could keep their gains.

What actually happened was that big business and the wealthy took the money and ran.

The Reagan recession got under way last July, and it was clear the economy was starting to slide as hardnosed businessmen saw through Reaganomics. Reagan's response was that his program hadn't started yet; wait until the fiscal year began October 1st.

But the economy continued downward and unemployment moved upward.

THE TROUBLE WAS, Reagan said, the tax cut for individuals only took effect in July and it should have been retroactive to January. If it had, people would have had more savings to invest and the "magic of the marketplace" would have worked.

The harsh winter came. Unemployment continued to rise. Now the budget cuts in federal programs were being felt and the lines of hungry people grew longer. Reagan's response was to unload surplus cheese from government warehouses which cost too much to store and besides was getting moldy.

By spring, when Treasury Sec. Donald Regan said the economy would come "roaring back," unemployment was setting postwar records.

The President was unfazed. He blamed the nation's problems on 40 years of spending by Democrats. On Mar. 31, he told a press conference that emergency actions didn't work during the seven recessions since World War II. He failed to add that three recessions occurred under Eisenhower.

THERE'S NOTHING the government can do, Reagan said. It's the interest rates, that's what it is. They're staying up because the money markets just don't believe we'll stay the course.

Unemployment worsens and now the horror stories are being reported across the land. Small business bankruptcies are setting records. Plants are shutting down all over.

It's the media's fault, Reagan said. The media keeps up "a drumbeat of pessimism" which prevents people from going out and spending money. Why is it news that a guy in South Succotash loses his job? Interview a guy who is working.

It's the women, the President tells a group of editors and broadcasters. Part of the unemployment is not so much the recession as it is—pardon me, ladies—the increase in women workers.

NOW EVERYONE is repeating Reagan's favorite campaign question: Are you better off today than you were a year ago? Critics believe the answer is self-evident. Millions of workers denied extended jobless-benefits. School breakfasts and lunches cut back. Aid to Families with Dependent Children cut back or ended for 750,000 families, with another 921,000 families threatened this year. Supplemental Security Income benefit cuts threatened for half the poor, elderly, blind or disabled. Food stamps and child nutrition programs victimized by cuts.

Not true, say Reagan and the hard-eyed, thin-lipped bookkeepers of this Administration. On national TV, they hold up charts showing that federal programs are increasing all the time; they are just cutting the rate of increase and getting "cheaters" off the rolls.

GROWING FEAR of layoffs for blue-collar workers will make the Reagan coattails a heavy handicap in the 1982 congressional elections, AFL-CIO Sec.-Treas. Thomas R. Donahue said on Labor News Conference. Questioning him were Jerome Cahill, left, of the New York Daily News and Drew Von Bergen of United Press International. The AFL-CIO produced public affairs program is aired weekly over Mutual radio.

Drive Seeks Nursing Home Board Seat

The AFL-CIO Food & Beverage Trades Dept. is spearheading a campaign to get Arthur S. Flemming elected to the board of directors of Beverly Enterprises, Inc., which operates the largest chain of nursing homes in the country.

Flemming, a former U.S. Commissioner on Aging, is seeking one of the six seats on the board as a "public" candidate to give consumers a voice in company decisions.

ACCORDING TO FBTD findings, more than 60 percent of Beverly's revenues comes from Medicaid reimbursements. For fiscal 1981, the company's operating revenues amounted to $486 million.

The election will be conducted at Beverly's annual stockholders meeting in Pasadena, Calif., in late May, where the FBTD will also be leading a proxy fight to block a $31 million purchase of Beverly shares by Hospital Corp. of America, the nation's largest profit-making hospital chain. HCA currently owns 18 percent of Beverly stock.

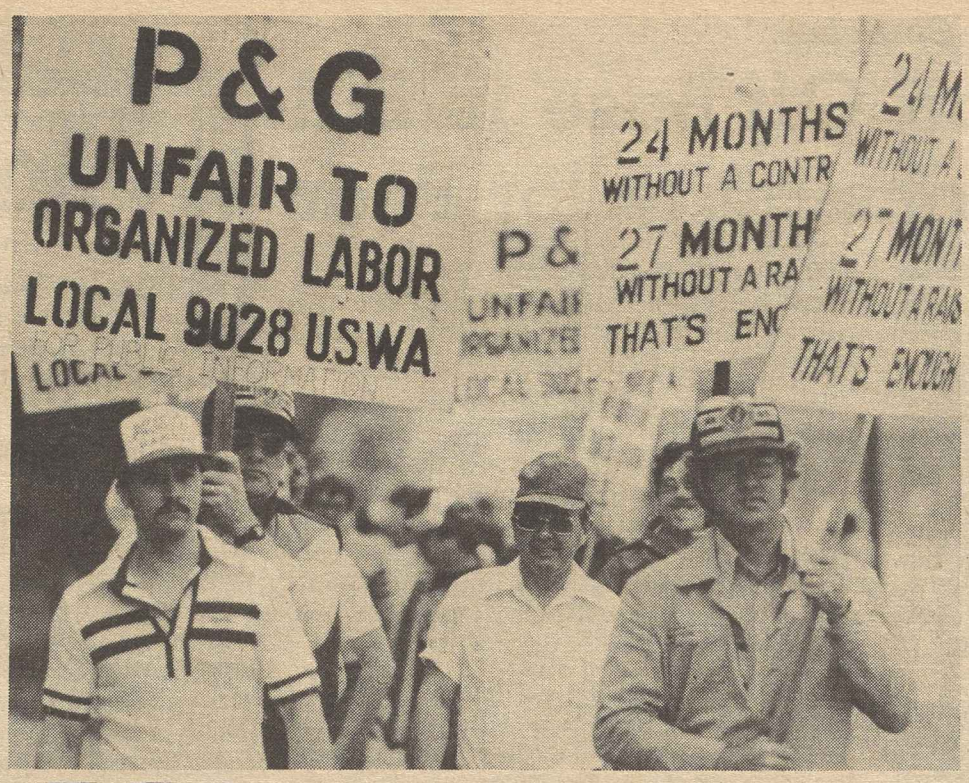
Through its subsidiaries, Beverly operates 479 nursing homes and other care facilities in 31 states and the District of Columbia. At the end of last year, Beverly had 39,000 employees, but less than 10 percent were union-represented.

FBTD President Robert F. Harbrant said, "We're not trying to unseat the entire Beverly board—just attempting to place one highly qualified public director for some balance."

HARBRANT SAID no current member of the Beverly board fully represents patient or public interests.

Flemming, who served as Secretary of Health, Education & Welfare during the Eisenhower Administration, is currently president of the National Council on Aging.

"There should be a consumer representative on the board of companies involved in activities which have such a significant impact on the lives of older people," Flemming said in a statement.



AFTER TWO YEARS of fruitless negotiations, Steelworkers picket the Procter & Gamble soap plant at Kansas City, Kan., to protest the company's refusal to agree to a settlement. Meanwhile, the USWA has called for a worldwide boycott of 10 P&G soap products: Ivory, Joy and Dawn liquid detergents; Zest, Camay and Ivory soap bars, and Tide, Cheer, Oxydol and Bold laundry detergents.

Global Boycott of P&G Soap Launched by Steelworkers

New York—The Steelworkers, locked in a fierce organizing battle to represent workers of the Procter & Gamble Co., called for a worldwide boycott of 10 P&G soap products.

In announcing the international campaign at a press conference, USWA President Lloyd McBride also charged that P&G is marketing laundry detergent which contains a chemical that is hazardous to workers and consumers.

THE AFL-CIO had initiated a national boycott against the company's soap products last November. The 10 P&G labels on the boycott list are Ivory, Joy and Dawn liquid detergents; Zest, Camay and Ivory toilet soap bars, and Tide, Cheer, Oxydol and Bold powdered laundry detergent.

McBride said the worldwide boycott was launched in cooperation with the Geneva-based International Federation of Chemical, Energy & General Workers. The ICEF and the USWA earlier formed a world labor council of P&G unions in 12 countries to coordinate organizing efforts at the company's plants around the globe.

Until the USWA organized P&G's soap plant at Kansas City, Kan., in 1980, none of the workers at the company's 38 production facilities in the United States was represented by an AFL-CIO affiliate. Most had been under "company unions," the USWA said.

NOT ONLY has P&G stymied any kind of settlement at the Kansas plant after 60 collective bargaining sessions, but it attempted to oust the USWA and replace it with a weak "independent" union, McBride charged.

However, the day before the international boycott was announced, the Kansas soap plant workers voted 249 to 149 in a National Labor Relations Board decertification election to retain the Steelworkers.

USWA members at the P&G plant, who have been denied wage increases since 1979, fully support the boycott action, the union reported.

Citing the Kansas plant struggle, McBride said that "as we have found through bitter experience that a company which is indifferent to the rights of workers is frequently indifferent to the health and safety of consumers as well, we have embarked on this campaign" of the worldwide boycott.

McBRIDE SAID the USWA discovered that P&G was putting the hazardous compound NTA (trisodium nitrolotriacetate) in laundry detergent from information exchanged at a meeting of the world labor council in March.

Based on 1976 studies conducted by the National Cancer Institute, NTA has been described as a cancer-causing agent. The government studies revealed that laboratory animals exposed to NTA developed tumors in the bladder, kidney and urinary tract.

At the press conference, McBride displayed a box of Tide laundry detergent purchased in Indianapolis which listed NTA as one of its ingredients.

"If P&G associates itself in multimillion-dollar advertising campaigns with 'purity,' I ask how can they violate the public trust by selling a soap product known to be hazardous."

The company's performance on premarketing testing has not been good, McBride charged, "especially when we recall the recent controversy in P&G's selling of Rely tampons."

Social Security Panelists Hit Senate Budget Scheme

(Continued from Page 1)

the timetable be advanced so that the report can be considered in November at a post-election "lame-duck" session of Congress.

The controversy over a budget resolution flared at the commission's first meeting following the Senate committee action, but there was also a significant step toward accord.

Sen. John Heinz (R-Pa.), a commission member, announced his sponsorship of legislation to take the social security program out of the federal budget process, a move that the AFL-CIO has repeatedly urged. Senate Finance Committee Chairman Robert J. Dole (R-Kans.) also expressed his support.

MEANWHILE, there have been strong signs in both the House and Senate of Republican concerns over home-state outrage at this latest attempt by the Administration to get around President Reagan's pledge not to reduce social security protections.

House Republican Leader Robert H. Michel (Ill.) told the White House bluntly that he and most other Republicans will oppose any budget resolution that includes social security cuts. The subject should not even be touched before the commission has made its recommendations, he insisted.

In the Senate, GOP leaders had to come up with a hastily-drafted "compromise" substitute resolution in order to prevent widespread defections to a Democratic motion to undo the social security provisions of the budget resolution.

AFL-CIO Social Security Director Bert Seidman sharply challenged the Administration claims of a dire crisis in the social security system unless benefits are cut back.

"There is no need to cut benefits, now or later," Seidman insisted in a recorded statement for radio stations.

Social security's financial problems "are not major" and "can easily be corrected by inter-fund borrowing and other minor adjustments."

The cause of the Administration's deficit problems, he stressed, is "last year's excessive tax giveaways to the wealthy and the corporations." Social security "belongs to the American working people" and should be kept separate from the budget debate, he said.

SEIDMAN ACCUSED the Reagan White House of putting up "a semantic smokescreen" by calling for reductions in "entitlement programs" instead of referring directly to social security. He said the promise of "no cuts for current beneficiaries" is used by the Administration to refer to this year only, concealing the fact that "benefits would be reduced in the future for all retirees" if its proposals were adopted.

George Dooley Retires From United Way Labor Post

George J. Dooley has retired as Northeast regional director of United Way of America's labor participation department. As liaison representative between the United Way and the AFL-CIO Dept. of Community Services for the past 30 years, Dooley coordinated community service activities at the state local level. He comes out of the Teamsters.

2 Sea Unions Link Efforts To Save Jobs

New York—The nation's two largest unions of unlicensed seamen, the Seafarers and the National Maritime Union, announced a joint campaign to preserve American seagoing jobs.

NMU President Shannon Wall, SIU President Frank Drozak, and four other top officers from each union will meet monthly to discuss mutual problems and coordinate their activities in a number of areas. These include:

- Legislative and political activities, including joint lobbying efforts on Capitol Hill and support for the candidacies of legislators who have shown their interest in the need for a strong U.S. merchant marine.
- Organizing non-union or company-union maritime operations throughout the country.
- Developing a joint policy toward manning levels, "especially in regard to civilian crewed vessels under charter by the Military Sealift Command." The union officials expressed concern that unlicensed crew sizes have been drastically cut in all military and privately owned operations while licensed crew levels have remained constant, or increased.
- Sharing, on a 50-50 basis, the crewing of all new vessels operated by companies not now under contract to either union. This could include the crewing of government-owned vessels chartered by the Military Sealift Command for crewing and operation by private industry.

In a joint statement, Drozak and Wall said U.S. unlicensed crews "have shouldered an inordinate amount of the crew cutbacks ordained by automation and economic factors."

RECENT FIGURES show that American unlicensed crews are more than cost-competitive with unlicensed crews of other Western nations, they said. According to the U.S. General Accounting Office, Wall and Drozak said, the cost of employing an able seaman on a Japanese ship now runs over $300 a month more than the cost of employing an able seaman on a U.S. ship.

The joint statement said the new cooperative spirit between the two unions "will go a long way to meeting competitive requirements of a fast-changing maritime industry, and to spread more equitably among all the maritime unions the burdens of keeping the U.S.-flag merchant marine competitive in worldwide commerce."

Kirkland Leads U.S. Delegation to ICFTU Meeting

AFL-CIO President Lane Kirkland headed a three-member American delegation to a meeting of the International Confederation of Free Trade Unions general board that opened in Brussels May 13.

Serving with Kirkland as delegates were Vice Presidents Martin Ward and Douglas Fraser. Also at the meeting, the first to which the AFL-CIO has sent representatives since reaffiliating with the ICFTU on Jan. 1, were five alternate delegates: Sec.-Treas. Thomas R. Donahue, AFL-CIO European representative Irving Brown, and Vice Presidents Glenn Watts, Albert Shanker, and Sol C. Chaikin.

WITH HEADQUARTERS in Brussels, the ICFTU comprises labor federations from more than 60 nations with a global membership in excess of 58 million. The AFL-CIO withdrew from the confederation in 1969. It voted last fall, just prior to its 14th biennial convention, to return.

Brown also will serve as the U.S. worker delegate to the International Labor Organization's 68th annual conference in Geneva next month. Michael Boggs, assistant director of the AFL-CIO Dept. of International Affairs, was named substitute delegate.

Spur to Housing

House Votes Subsidy For Home Mortgages

(Continued from Page 1)

Robert H. Michel (Ill.) that the legislation is "inconsistent" with the President's program and the Administration "strongly opposes passage."

BUT WHILE Michel and 42 other Republicans backed the President's position, 135 bolted to join all but 12 House Democrats in support of the bill.

A somewhat smaller-scaled measure has been approved by the Senate Banking Committee.

In other congressional developments:

- The House Banking Committee approved a larger $3.5 billion mortgage subsidy in a separate bill for the 1983 fiscal year, that starts next Oct. 1. Included in the legislation is a labor-sought provision to help homeowners who have lost their jobs avoid foreclosure on their mortgages.
- The 13 weeks of extended unemployment benefits now available in states with exceptionally high jobless rates would be stretched to 26 weeks under a labor-supported, Administration-opposed bill that has been approved by a House Ways & Means subcommittee. Some 628,000 unemployed workers in 31 states are in their final weeks of eligibility under the present program.
- A union-sought provision restoring supervision of surface mining of stone, clay, sand, gravel and phosphate to the Mine Safety & Health Administration was included in the supplemental appropriations bill passed by the House. If the Senate concurs, it would reverse earlier action by Congress curtailing the agency's jurisdiction. The Steelworkers, the Cement, Lime & Gypsum Workers and the Operating Engineers lobbied hard on the issue and labor's position was upheld on a 220-186 vote.
- The Senate Commerce Committee imposed new curbs on the Federal Trade Commission as the price of a bill to extend the life of the FTC. The Republican-controlled committee voted to bar the FTC from scrutinizing restrictive or deceptive practices of professionals, including doctors, lawyers, dentists, engineers and accountants. It also barred the FTC from prohibiting advertising the agency considers "unfair" even though not outright deception.

FTC CHAIRMAN James Miller, a Reagan appointee, protested the Senate committee action as "bad law, bad economics and bad politics" because it would create "a privileged class immune from laws."

A Wall Street Journal news story on the committee action noted that political action committees of doctors and dentists had contributed heavily to the campaigns of members of congressional committees that oversee the FTC.

- A Senate Immigration subcommittee approved a bill providing civil fines and criminal penalties for employers who knowingly hire illegal aliens and directing the Justice Dept. to devise within three years a foolproof system to identify legal residents. The bill cleared the subcommittee unanimously but faces renewed scrutiny when it is considered by the full Judiciary Committee.
- A House Ways & Means subcommittee approved a version of President Reagan's Caribbean Basin Initiative, which labor opposes as worsening the job-wrecking import problem. The panel did tighten up the Administration bill by excluding from the tariff exemption imports of luggage, handbags, work gloves, leather apparel and belts. It also curtailed slightly the loophole that would allow other countries to channel goods throughout the Caribbean area with only a token local input.

ON OPENING PROGRAM of a 27-part television series on American labor, Ladies' Garment Workers President Sol C. Chaikin discusses workplace changes with Dr. Phillip C. Dolce of Bergen Community College in New Jersey, which is producing the series for early-morning viewing on the CBS network—and possible college credits. The series begins on Channel 2 in New York City on May 17 at 6 a.m., with Monday, Wednesday and Friday shows. Elsewhere, it will be shown Tuesdays, Thursdays and Saturdays, starting on May 18, with times varying locally.

Union Demands Investigation Of Grain Elevator Explosion

The Grain Millers called on the Agriculture Dept. to make immediate use of appropriated federal funds to investigate an Iowa grain elevator explosion in hopes of preventing further death and injury to grain workers.

Five workers were killed and at least 22 injured in the blast that rocked Council Bluffs, Iowa, on Apr. 20. The facility, operated by the Bluffs Elevator Co., is one of about 400 grain elevators in the state that has had no safety inspection since 1974 because of a lack of funds, according to the Iowa labor commissioner's office.

BUT GRAIN MILLERS President Frank T. Hoese noted in a wire to Agriture Sec. John R. Block that the department's Federal Grain Inspection Service (FGIS) has yet to spend one penny of the $50,000 Congress appropriated for 1982 for on-site inspections even though two explosions at grain elevators have occurred this year.

In calling for FGIS action on the Council Bluffs explosion, Hoese told Block that "the very lives of our members depend on the results that can be derived from these on-site inspections."

The AFL-CIO Food & Beverage Trades Dept. pointed out that the Council Bluffs explosion is the latest in a long list of similar tragedies at grain handling facilities. In the past seven years, the FBTD noted, more than 149 grain explosions killed 111 workers and injured 337 others while causing more than $100 million in damage.

ACCORDING TO experts, grain dust can be more explosive under certain conditions than coal dust or dynamite.

The Occupational Safety & Health Administration, which has yet to develop a federal grain dust standard, has conducted only a limited number of safety inspections. Of the more than 10,000 grain facilities across the country, OSHA inspected only 273 grain elevators in fiscal year 1980. The number of inspections was cut in half in fiscal 1981 because of sharp reductions in OSHA's budget by the Reagan Administration.

FBTD President Robert F. Harbrant said corrective action by the federal government is long overdue.

"DESPITE THE recurrence of these tragic explosions, and the needless death, injury and destruction they produce, the government has failed to strengthen safety regulations for grain facilities," Harbrant said.

Citing a USDA report on the grain dust problem, Harbrant said 90 percent of the explosions are preventable if proper systems and controls are used at grain elevators.

"The United States has possessed the necessary knowledge and many of the prevention techniques for at least 60 years," he said. "It is obvious that they have not been adequately implemented."

OSHA Assailed For Blackout of Enforcement Data

(Continued from Page 1)

previous OSHA administrations—both Republican and Democratic.

"Under your administration, however, there evolved a change in policy as to the availability of such public information," he wrote Auchter.

Taylor further noted that it took three months to get an explanation from the agency as to why the information was being withheld.

After being put off on several occasions, Taylor said he was told that OSHA was totally overhauling its data-compiling and recording system, and that when the changes are completed, the reports would be available only quarterly to the public.

But Taylor said he was also informed that the system would be out of operation for several months and the reports would not be released until next October or January 1983.

"As a result of your blackout of facts and figures for an entire year, or perhaps longer," Taylor wrote Auchter, public interest groups such as the AFL-CIO and even Congress "will have no idea of what is going on in OSHA compliance activities."

The AFL-CIO had been using the reports to analyze OSHA's performance since the Reagan Administration took office. Based on 1981 data, the federation found that OSHA's workplace inspections dropped 21 percent from the year before; follow-up inspections were off 72 percent. The AFL-CIO study also showed a 75-percent drop in findings of "willful violations" and a reduction of 48 percent in proposed penalties for violations.

Health Planning Act Credited With Savings to Consumers

The AFL-CIO urged Congress to renew the National Health Planning Act, which gives consumers a strong voice in the type of health care facilities in their communities and provides a check on wasteful duplication of expensive equipment.

AFL-CIO Social Security Director Bert Seidman told a House subcommittee considering the issue that savings achieved through the review process "have meant lower insurance premiums and out-of-pocket payments for working Americans."

SEIDMAN NOTED that Congress cut the program's budget by 63 percent last year at the request of the Reagan Administration, which now wants to let the law expire on Sept. 30, thus killing the program entirely.

Despite recurrent underfunding, Seidman testified, the program has overcome most of its early problems and achieved significant savings in many areas.

"We now have a corps of technical experts knowledgeable enough to carry out the mandate of the law," he noted. "Local consumers of health services have been brought into the decision-making process. . . . States have been given strong financial incentives to make the difficult decisions concerning the allocation of health care resources."

MORE comprehensive measures are needed to deal with health planning and health costs, Seidman emphasized, including changes in the manner of reimbursing health care providers. But eliminating the modest planning program now in place is no way to start, he said.

Meanwhile, an attempt to get a reprieve for the law through the Senate Labor & Human Resources Committee lost on an 8-8 tie vote.

The effort was made by Sen. Lowell P. Weicker, Jr. (R-Conn.) as an amendment to a bill reauthorizing two of the National Institutes of Health.

WEICKER GOT the support of all seven Democrats on the committee but was unable to bring any of his fellow Republicans with him on the vote. He said he will try again when the legislation is on the Senate floor.

The House measure to renew the program with some changes is sponsored by Rep. Henry A. Waxman (D-Calif.), chairman of the subcommittee that held the hearings.

Safety Council Awards Honor Five Unionists

San Francisco—The National Safety Council's labor division honored five trade union safety directors with its top award at the division's annual spring meeting here.

Recipients of the Distinguished Service to Safety award are: Joseph Leonard of the Longshoremen, Dale Marr of Operating Engineers Local 3, Murray Naquin of Oil, Chemical & Atomic Workers Local 4-447, Frank Rapp of the Auto Workers and F. T. (Pete) Sennett of Rubber Workers Local 186.

Strike Activity in '81 Down to 15-Year Low

Strike activity dropped last year to the lowest level since the mid-1960s, the Bureau of Labor Statistics reported.

Work stoppages in 1981 accounted only for 0.11 percent, or 24.6 million workdays, of the total working time logged by the U.S. labor force. This compares with 0.14 percent, or 33.2 million workdays, in 1980.

The BLS attributed the decline in strike activity to a relatively light bargaining year in 1980, as well as to a number of major collective bargaining agreements reached without strikes in the airline, railroad, longshoring and maritime industries, and the U.S. Postal Service.

The number of workers involved in strikes last year declined to 1.1 million from 1.4 million in 1980. Strike activity has declined steadily in the past six years, BLS reported.

'New Hooverism' Assailed

Jobless Rate of 9.4% Tied to Reaganomics

(Continued from Page 1)

joblessness "another cruel turn on the ratchet of unemployment" which is punishing millions of Americans. If the number of so-called "discouraged" workers—those who say they have given up seeking jobs—and the number of workers employed part-time because full-time work is not available were added to the total unemployed, the "true" jobless rate would be much higher.

Kirkland aimed his sharpest criticism at Reagan's "supply-side" economic advisers, whom he described as "quacks who practice their trade like the leech doctors of old who believed you can cure a patient of all ills by bleeding him to death."

Private economist Michael Evans predicted that the jobless rate would continue to climb. "It is a lead-pipe cinch it will go to 10 percent, and it is a 1-in-4 chance it will go to 12 percent by the end of the year, which most people would call a depression. We are looking at a potentially explosive situation," he warned.

THE HIGHEST unemployment figure in the nation's history was the 24.9-percent jobless rate recorded at the depth of the Great Depression in 1933, when the labor force was only half its present size of 109.6 million.

In Chicago, where he addressed a group of regional editors, President Reagan conceded that some parts of the country were in a "near depression," a fact borne out by BLS figures on unemployment in the 10 largest states. Michigan, hard hit by slumping auto sales, had a seasonally adjusted jobless rate of 15 percent in April, Ohio 12.4 percent, Pennsylvania 10.7 percent, and Illinois 10.4 percent.

Layoffs in construction and manufacturing industries and a decline in retail jobs were largely responsible for throwing 453,000 more Americans out of work in April, BLS said. The bureau found more than 99,340,000 people still employed, but this was 152,000 fewer than a month earlier even though 301,000 more people were looking for jobs.

IN AN APPEARANCE before the congressional Joint Economic Committee, BLS Commissioner Janet L. Norwood noted that businesses usually tend to increase their workforces as spring weather sets in and large numbers of people resume job searches as chances for outdoor work increase.

"This April, however, the continued impact of the recession dampened all of these developments," she observed.

Norwood pointed out that unemployment—unadjusted for seasonal fluctuations—declined by 330,000 from March to April. But since the drop was much less than usual for that time of year, the adjusted figures showed a rise of 453,000 in the number of unemployed workers and this produced the increase in the jobless rate. Economists rely on seasonally adjusted data, because they take into account factors such as weather and normal trends during the year to show the effect of the economy on unemployment.

IN ADDITION to those thrown out of work by the recession, 5.8 million people were forced to work part-time in April because they could not find full-time jobs, the most since BLS began to collect these statistics in 1955. It was a rise of 117,000 from March and 1.5 million from last July.

The jump in unemployment affected nearly every worker category in the economy. Among teenagers, the rate overall rose from 21.9 to 23 percent over the month. Among black teenagers, joblessness increased from 46 to 48.1 percent.

Unemployment among adult men rose to a postwar high of 8.2 percent from 7.9 percent in March. For women, the jobless rate went from 7.9 to 8.3 percent. Black unemployment, which climbed to 18.4 percent from 18 percent in March, was the highest since BLS began recording this statistic a decade ago. The jobless rate for whites rose from 7.9 to 8.4 percent over the month.

AMONG MARRIED men, usually one of the last groups hit by economic downturns, the unemployment rate rose to a postwar high of 6 percent in April from 5.5 percent in March. For full-time workers, the rate jumped from 8.9 percent in March to 9.2 percent. Only the rate for workers of Hispanic origin improved over the month, declining to 12.5 percent from 12.7 percent the previous month.

The jobless rate for blue-collar workers soared to another postwar record, 13.7 percent; it was 12.9 percent in March and 9.5 percent last July. The rate for white-collar workers was about unchanged over the month, up one-tenth of 1 percent at 4.9 percent; it has risen by about a percentage point since July.

Unemployment among construction workers rose from 17.9 percent in March to 19.4 percent in April. Construction employment over the month was down 85,000. In the last year, nearly one in 10 construction jobs has been lost, BLS said.

Factory jobs declined by 80,000 in April, with most of the reduction occurring in durable goods industries. The largest cutbacks were in machinery, primary and fabricated metals, and transportation equipment.

SERVICE JOBS declined for the second month in a row, with a drop of 65,000 posted among retail trade workers and 25,000 among government employees.

Even as these workers were being laid off, others were working shorter hours. BLS said the average workweek of production workers on nonfarm payrolls in April was 34.8 hours, down one-tenth of an hour over the month.

Correspondence about address corrections should be sent with attached mailing label to: Subscriptions, Room 209, 815 16th Street, N.W., Washington, D.C. 20006.

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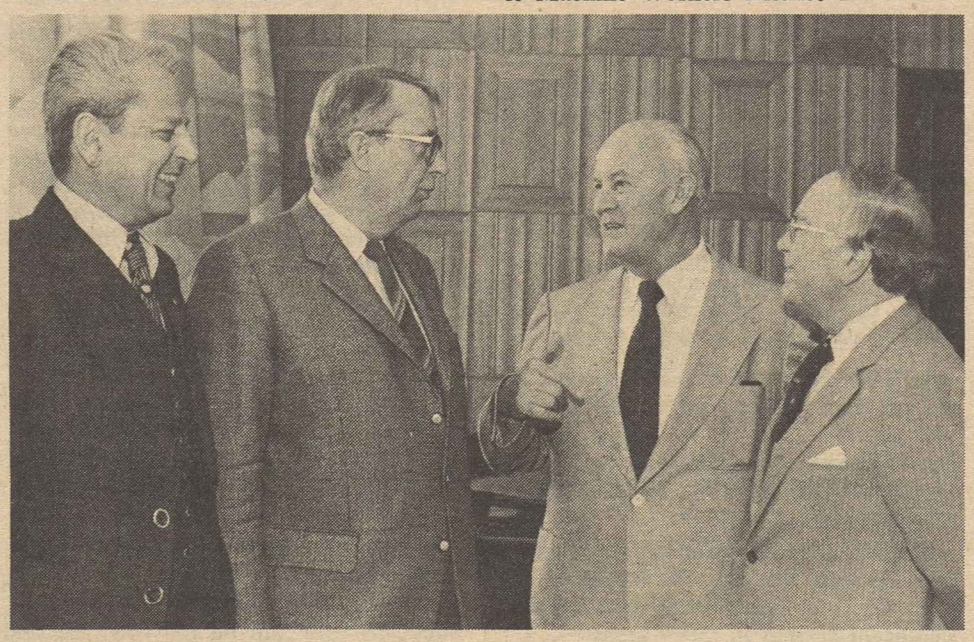

GERMAN POSTAL WORKERS Union President Ernst Breit, second from left, confers with members of the AFL-CIO International Affairs Committee during his recent visit to Washington. Breit, who is also president of the Postal, Telegraph & Telephone International, an international trade secretariat, earlier met with representatives of PTTI affiliates in the United States. From left, are PTTI Sec.-Gen. Stefan Nedzynski, Breit, and Federation Vice Presidents Martin J. Ward and Glenn E. Watts. Ward chairs the International Affairs Committee.

Uphill All the Way

Pennsylvania Delegates Elect New Officers, Map Program

Pittsburgh — Delegates to the Pennsylvania AFL-CIO's annual convention here elected new top officers and adopted a program keyed to defending labor's gains from legislative attacks.

Julius Uehlein was elected president to succeed Harry Boyer, who has held the office since 1962. Uehlein is currently secretary-treasurer of the Steelworkers Legislative Committee in Pennsylvania.

THE 2,000 DELEGATES elected Judy Heh to the new post of secretary-treasurer and Robert T. McIntyre as executive vice president. Heh, now on the staff of State, County & Municipal Employees Council 13, has also been president of the union's local in Pittsburgh.

McIntyre, president of International Brotherhood of Electrical Workers Local 81 in Scranton, had been treasurer of the federation since 1971. He is the federation's COPE director.

Harry Block is retiring as secretary of the state body and the convention voted to merge the offices of secretary and treasurer beginning June 1 when the new officers begin their four-year terms.

Boyer and Block had served as co-officers when the Pennsylvania AFL and CIO merged in 1960. Block had been president of the State CIO since 1946, and Boyer had been president of Electrical, Radio & Machine Workers District 1.

In his speech to the delegates, Uehlein pledged to continue the programs of the federation that serve Pennsylvania workers. In today's economic and political climate, he said, the State AFL-CIO must "redouble its efforts to protect gains working people have made, and to make even more progress."

Uehlein scored the Reagan Administration's economic program as "wreckanomics," and stressed that "we must make today's labor strong for labor's tomorrow."

Among some 160 resolutions acted on by the delegates to the state federation's largest convention was a strong condemnation of the Administration's "unfair, job-destroying" programs and damaging cuts in the budget for social programs.

The convention amended the federation's constitution to require retirement of officers at age 70.

DELEGATES URGED passage of an agency shop law in Pennsylvania for public employees and strengthening of the public employee bargaining law, including protections from "legislative attacks" on public workers' wages and conditions.

The federation's "citizen of the year" award was given to State Supreme Court Justice Robert N. C. Nix for "his demonstrated commitment to demystifying the judiciary and to making the system work for and protect" the needs of ordinary people.

Nix will become the court's chief justice in 1983 and will be the first black person to hold that post.

Other speakers included Sen. John Heinz (R-Pa.), who received the convention's endorsement for re-election, and Rep. Allen E. Ertel (D-Pa.) whose bid to unseat Republican Gov. Richard L. Thornburgh was also endorsed by the State AFL-CIO.

Labor speakers at the three-day meeting included Steelworkers President Lloyd McBride; AFSCME President Gerald W. McEntee; AFL-CIO Region III Director Walter Waddy; Paul Ornburn, national representative of the AFL-CIO Union Label & Service Trades Dept.; and Ruth Colombo, COPE eastern region VIP director.

Auto Workers Affiliate With Professional Employee Dept.

The Auto Workers have joined the AFL-CIO Dept. for Professional Employees, raising the number of department affiliates to 27, DPE President Albert Shanker announced.

The UAW was one of the founding unions of DPE's predecessor organization.

Senate GOP Drops Plan for Social Security Cuts

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Senate Republican leaders, facing up to political reality, revised their proposed budget for fiscal year 1983 by dropping a plan to realize $40 billion in social security slashes over the next three years.

Sen. Pete V. Domenici (R-N.M.), chairman of the Senate Budget Committee, which earlier this month had reported out a budget resolution, announced the change only a day after defending the panel's proposal to make the social security reductions.

AS MANY as eight Republican moderates up for re-election this fall indicated they would desert their party if the social security cutback were kept in the budget.

The Republican-controlled Senate sought to complete its version of the budget by late Thursday or Friday after the AFL-CIO News press time. The House, meanwhile, girded for debate over at least four different budget plans, and was not expected to complete floor proceedings until the middle of next week.

As the skirmishing over the politically volatile social security issue died down, Sen. Robert C. Byrd (D-W.Va.), the Senate minority leader, said: "I congratulate the majority party for coming around to our point of view."

THE BUDGET plan worked out and approved by the Senate Budget Committee, after this week's additions, envisions a projected deficit of $115.3 billion in the fiscal year beginning Oct. 1.

Of the plans introduced so far in the House, that offered by Rep. David R. Obey (D-Wis.) on behalf of himself and other Democratic liberals is the only one that includes a job-creation stimulus package.

THE MEASURE, which has the support of the AFL-CIO, would result in a $99 billion deficit in the 1983 fiscal year. Obey's plan calls for fewer domestic spending cuts, largely by a restructuring and reduction of proposed Administration tax cuts.

In the Senate, following deletion of the $40 billion from the social security program, the Republicans tightened ranks to defeat the first of many Democratic efforts to place Republicans on record against adding funds for social programs. A move by Sen. Daniel P. Moynihan (D-N.Y.) to

(Continued on Page 8)

Economy Continues Steep Slide

AFL-CIO'S REAFFILIATION with the International Confederation of Free Trade Unions after a 13-year absence is applauded by delegates to the ICFTU's 80th executive board meeting in Brussels. The federation's delegation included, front row, Vice Presidents Douglas Fraser and Martin Ward and President Lane Kirkland; second row, Vice Presidents Albert Shanker and Sol C. Chaikin and Sec.-Treas. Thomas R. Donahue.

ICFTU Board Welcomes Return of U.S. Delegates

Brussels—The war over the Falkland Islands and continuing repression of workers and their unions in Poland, Turkey, Bangladesh, and elsewhere in the world figured prominently in discussions at the 80th executive board meeting of the International Confederation of Free Trade Unions here.

The meeting in this Belgian capital marked the first since July 1968 that representatives of the AFL-CIO have attended and the first since the federation reaffiliated last Jan. 1. ICFTU President P. P. Narayanan, who chaired the meeting, welcomed the AFL-CIO delegation to applause from the 60 representatives from national trade union centers in the free world who attended. There were also representatives from half a dozen international trade union secretariats.

REPRESENTING the federation were President Lane Kirkland and Vice Presidents Douglas A. Fraser and Martin J. Ward, the AFL-CIO delegates. Alternate delegates who attended were Sec.-Treas. Thomas R. Donahue, European Rep. Irving Brown, and Vice Presidents Glenn Watts, Albert Shanker, and Sol C. Chaikin.

The executive board, which is the ICFTU's highest decision-making body after its World Congress, acted on a heavy agenda during the two-day meeting. Besides adopting a number of resolutions concerning ICFTU activities in various countries, delegates disposed of a wide range of internal matters.

On the crisis in the South Atlantic, where Argentina and Britain appear to to have reached an impasse in peace talks, the board reiterated its condemnation of the use of force to solve territorial disputes. It called on both countries to respect United Nations Security Council resolution 502 and give UN Sec.-Gen. Javier Perez de Cuellar a chance to help the two nations reach a negotiated accord.

THE ICFTU board also expressed its full solidarity with the Argentine workers "who are the victims of a military dictatorship that prevents freedom, human, and trade union rights in that country."

(Continued on Page 7)

Downward Trend Persists In Factory Output, Housing

By James M. Shevis

A drumfire of negative reports on the economy showed industrial activity declining while unemployment continued to rise as the Reagan Recession raged on.

A Federal Reserve Board announcement that production by the nation's factories and mines fell in April for the eighth month in the past nine was followed with these other gloomy economic reports from the government:

- Factory use by American manufacturers skidded to 71.1 percent of capacity in April, matching the lowest rate since the severe 1973-75 recession.
- Housing starts in April fell 6.4 percent to an annual rate of 881,000 units, the lowest level since last November and the ninth consecutive month under the million mark, half of what the industry considers a good year.
- Economic growth declined at a greater rate in the first three months of 1982 than first reported, 4.3 percent rather than 3.9 percent. The figures are annual rates, adjusted for seasonal trends, and stripped of inflation's impact.

AT THE SAME time, the Commerce Dept. reported that Americans' personal income rose a weak, seasonally adjusted three-tenths of 1 percent last month, following an adjusted four-tenths of 1 percent rise in March. Personal spending increased by five-tenths of 1 percent in April, following a decline of six-tenths of 1 percent in March.

Economists say that recovery from the recession will require a steady rise in personal consumption spending over a protracted period.

The April decline in industrial production—six-tenths of 1 percent—was less than the March decline of eight-tenths of 1 percent and much less than the declines of more than 1 percent a month last winter. But it still left output where it was last January, the production low point so far and a sign, Commerce Dept. Economist Robert Ortner said, that the nation's economy "has not turned around yet."

THE STRONGEST area in April was the rise in production of consumer durables, including autos and home goods. New cars were assembled at an annual rate of 5.1 million units, up more than 40 percent from their "extraordinarily low rate" in January, the Fed said. But it noted that assemblies still remained "depressed compared to earlier periods."

On the down side, the report said large reductions occurred in April in output of business equipment, construction supplies, and durable goods materials.

In reporting the April drop in factory utilization rate, the Federal Reserve Board

(Continued on Page 6)

Budget Amendment Called 'Serious Threat' to Nation

Senate consideration of a resolution to establish a rigid constitutional amendment requiring a balanced federal budget while imposing severe restrictions on the taxing authority of Congress raises the issue to the level of a "a serious threat to America's constitutional and economic well-being," the AFL-CIO warned.

The Administration-backed proposal cleared the Senate Judiciary Committee this spring and is expected to come to the floor of the full Senate soon.

IN A LETTER to each Senator, AFL-CIO President Lane Kirkland urged opposition to its enactment for compelling reasons, particularly its potentially adverse impact on the economy.

Kirkland said an arbitrary constitutional mandate to balance the budget would "immobilize congressional authority to use its fiscal powers—taxing and spending authority—to abate such problems as depression, inflation, natural disasters, or other economic crises, each of which presents a different set of economic circumstances demanding a different kind of economic response."

THE AMENDMENT, which would require Congress to balance the budget each year except by a three-fifths vote in both houses, is principally sponsored by Senators Pete V. Domenici (R-N.M.), Strom Thurmond (R-S.C.), and Orrin Hatch (R-Utah). To be adopted, it requires a two-thirds vote in both houses, and then ratification by three-fifths of the states.

In a separate approach, the legislatures of 31 of the necessary 34 states have already adopted measures calling for a

(Continued on Page 3)

PED Study Finds Reagan Policies Deepening Slump

The Reagan Administration has no one to blame but itself for the current recession, and the economy would be better off if the President's policies had never been adopted, a study released by the AFL-CIO Public Employee Dept. asserts.

PED President Kenneth Blaylock at a news conference releasing the results pointed out that the data compiled for the department show that the Administration's policies of budget cuts, massive tax cuts and high interest rates are directly responsible for the worsening economic downturn. If these policies stay in place, Blaylock warned, they will "deepen, broaden and lengthen" the recession.

THE STUDY compares the expected performance of the economy in fiscal years 1982 and 1983 under the Administration's hand with a hypothetical model that forecasts economic conditions as they would be without the Reagan policies in place. The economic models and analysis were obtained from Data Resources, Inc., an independent research firm.

According to the study, the Administration's policies have already contributed directly to declines in economic growth and business investment, to escalating unemployment, to drops in auto sales and housing starts, to shortfalls in state and local revenues and to a sharp increase in the federal budget deficit. These conditions will worsen in 1983, the study predicts.

"The nation is in the midst of the Reagan Recession," Blaylock said, "and the

(Continued on Page 8)

Crowds Hail Union-Industries Show

Products, Skills Spotlighted At Pittsburgh Exhibition

By Susan Dunlop

Pittsburgh—Pride in union-made goods and services was the keynote of the 37th AFL-CIO Union-Industries Show which opened here May 14 for a six-day run.

Thousands of visitors from the Pittsburgh area attended the exhibition at the city's convention center that showcased the skills and productivity of union workers alongside the array of goods and services labor and industry cooperate to produce.

THE FREE, public show is produced and managed by the AFL-CIO Union Label & Service Trades Dept.

Steelworkers President Lloyd McBride underlined the show's theme in his speech at the opening day ceremonies.

McBride, whose union is based in Pittsburgh, praised the show as a "unique opportunity" for the public to see first-hand how the "joint efforts" of union workers and their employers contribute to the nation's economic wealth.

Another equally important theme of the show, McBride said, is the "display of an attitude that is the basic thrust of the American labor movement—the goal of building a better nation through the exercise of the collective bargaining system."

AMERICA'S unions—and its progressive companies—see their collective bargaining system as a way to solve problems "in their mutual interest and with just results," McBride said.

The products of those companies "bear the union label, and that is why that label is well worth looking for," he declared.

McBride expressed "disappointment" with the Reagan Administration's approach to the issue of trade and unfair competition from imports. Fair trade, contrasted to "free" trade, is a "more realistic and an achievable goal," he said, adding that fair trade "should be actively sought and vigorously fought for" as a path to preserving jobs.

THE STEELWORKERS unveiled a new exhibit at their hometown show, featuring a colorful display of the diversified jobs members hold in many industries and the benefits of union membership. Topping off displays of many of the products made by USWA members was an inflatable hard hat, eight feet high by 16 feet wide.

Among the more than 300 other exhibits in the show was the AFL-CIO's own, where the emphasis was on registering voters and urging them to participate in "Solidarity Day 1982," Election Day. Registrars were on duty to provide materials and information to all visitors.

Pride in the products made by union members was the focal point of the Allied Industrial Workers, whose exhibit showed off members' skills in making everything from toys to tractor-trailer trucks, and pride in their many skills was the theme of the Theatrical Stage Employees' lively display.

THE SHOW makes the point that union members are found working in virtually every industry. The Aluminum, Brick & Clay Workers, for example, displayed products ranging from basic aluminum to fine dinnerware.

Members of the Oil, Chemical & Atomic Workers at the show explained their jobs in oil refining as well as in the making of such consumer products as soaps, shampoos and detergents. The Retail, Wholesale & Dept. Store Union's booth pointed to members' jobs in industries ranging from snack foods to health care.

Special skills that go into the making of glass products were on display at the Flint Glass Workers exhibit and at a display of high technology hearing aids made by the Electrical, Radio and Machine Workers.

PRIZE GIVEAWAYS were staged by many exhibitors at the show, including drawings for many union-made major appliances at the International Brotherhood of Electrical Workers colorful booth.

The Seafarers offered a week-long cruise to Hawaii aboard a U.S.-flag cruise ship to underscore the importance of a U.S.-registry fleet, and at their booth held drawings for SIU-produced canned seafood products.

At the Molders' exhibit, visitors had a chance to win superior quality cookware by playing a "slot machine" game that stressed the benefits of union membership.

Huge bags filled with a variety of products made by Grain Millers members drew crowds to each drawing, and the chance to take home a portrait by a professional caricaturist had visitors lined up at the Painters' "art gallery" showcasing union members' skills.

UNION-MADE clothing proved popular prizes at the Clothing & Textile Workers booth, and Ladies' Garment Workers members reminded visitors to look for the union label and the union skills behind it with bonnets that could be converted to aprons stitched up before the prize-winners' eyes.

RIBBON-CUTTING ceremonies officially open the 37th AFL-CIO Union-Industries Show May 14-19 at the Pittsburgh Convention Center. From left are Food & Commercial Workers President William H. Wynn, Steelworkers President Lloyd McBride, and Glass Bottle Blowers President James E. Hatfield, who also heads the AFL-CIO Union Label & Service Trades Dept., which produces and manages the showcase of union skills and union-made products.

Live demonstrations of skills and services by many unions proved popular with show visitors who could take home a four-color poster of the Space Shuttle "hot off the press" at the Graphic Arts Union's exhibit or watch virtuoso culinary artists preparing their specialties at the Hotel Employees & Restaurant Employees display which also featured one of the city's most creative ice carvers.

The Postal Workers and Letter Carriers joined in a booth that included a working post office with memorabilia from U.S. postal history, including an antique mail truck. The Communications Workers explained long distance telephone technology.

THE BAKERY, Confectionery & Tobacco Workers cake decorators showed off their special skills to visitors who also had chances to win the union-made cakes, breads and tobacco products. Nearby, a member of the Upholstery Workers showed the complex skills required in the making of fine furniture.

Adventurous visitors could try their hand at soldering copper pipe at the Plumbers & Pipefitters exhibit or welding at the Boilermakers display, and they could see a demonstration of one of the most ancient skills at the Glass Bottle Blowers show.

A free blood pressure check at the Service Employees booth stressed that union's deep involvement in the health care industry. The Chemical Workers magic show underscored the many products made by its members through "the magic of chemistry."

The Food & Commercial Workers multimedia arena was the setting for prize giveaways that pointed up members' skills and services in many industries including retailing, meat cutting, and shoe manufacturing. A highlight of the Pittsburgh show was the Barbers & Beauticians annual Hair Fashions Spectacular, a national competition for men's and women's hairstylists held for the first time in connection with the show.

SKILLS WERE also the focal point of exhibits staged by building trades unions such as the Bricklayers, whose free-standing exhibit, as large as a small house, featured every trick of the trade.

Colonial copper lanterns made at the show and given away as prizes drew visitors to the Sheet Metal Workers booth. An information exhibit of highly detailed, scale-model working cranes made by a local member was a similiar attraction to the Operating Engineers display, while scale models of the city's unique skyscrapers highlighted the special skills of Ironworkers.

The Paperworkers booth featured a miniature papermaking machine.

History was the theme of the Carpenters booth which included its dramatic centennial exhibit tracing the growth of the union from its earliest days to its continued service to members today. And the union's state council held its apprenticeship contest at the show.

THE INTEREST of union members in the community was made clear in the Machinists exhibit, which included a live demonstration by a blind worker of how guide dogs are trained and made available by International Guiding Eyes, founded by a Machinists' member.

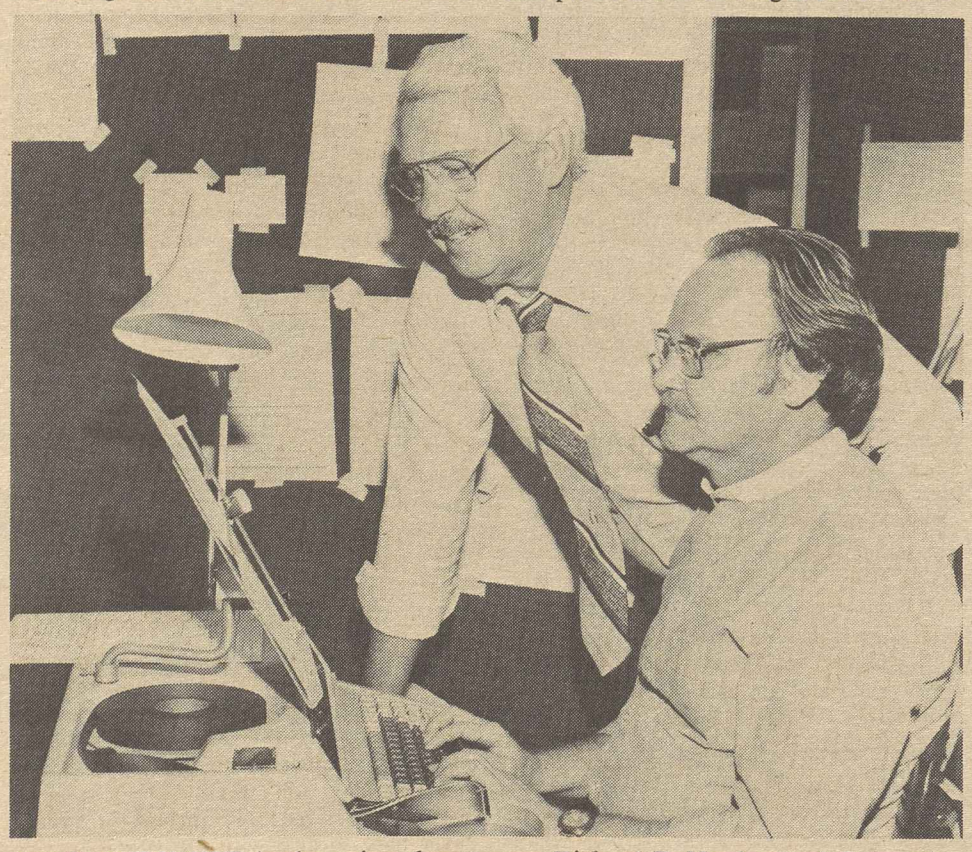
The energy-saving importance of mass transit was the focus of the Amalgamated Transit Union's exhibit, and visitors to the Government Employees booth had the chance to sign a petition urging Congress to enact job-creating programs.

The Fire Fighters booth included the newly designed "Pittsburgh Pumper," a scaled-down engine made especially for getting through the city's narrow streets.

The Cement, Lime & Gypsum Workers used the show as an opportunity to promote the many products made by its members and to ask visitors to boycott Kosmos Cement. At the Rubber Workers exhibit, information on the Michelin tire boycott was balanced with the chance to win a set of union-made tires.

THE INTEGRAL part played in the U.S. economy by the railroad industry and its workers was the theme of the exhibits of the Railway Clerks, the Railway Carmen and the Signalmen. The Maintenance of Way Employes pointed to the history of unions on the railroad with a film featuring famous railroad songs.

One of the most enjoyable demonstrations of the pride union members take in their work was provided by the Musicians, whose members performed at a "theatre" at the entrance to the show, welcoming each visitor and sending each home on a pleasant note.



FIRM BELIEVER in the union shop, owner Richard P. Herdman of Composition Systems, Inc., in Arlington, Va., has been named the Small Businessman of the Year for the Washington metropolitan area. Herdman, a member of the International Typographical Union for 35 years, checks a job with typesetter William Terrell, a member of ITU Local 101. "I like running a union shop," Herdman said. "You can count on a professional job and know the work will be done on time."

Michael Pinto New Manager Of Safety Council Labor Unit

Chicago—Michael A. Pinto has been named manager of the National Safety Council's labor department. Formerly grant administrator and administrative analyst for the Michigan Dept. of Labor, Pinto replaces Richard Gaw, who has left the NSC.

Kirkland Hits Bid to Impose Budget Plank

(Continued from Page 1)

constitutional convention to consider a balanced budget amendment. If a convention were called, an amendment would still require approval by three-fourths of the state legislatures.

Other AFL-CIO objections to the measure cited by Kirkland:

- Congress would be unable to make timely, majority decisions to prevent economic crises from quickly deteriorating into catastrophes.
- Enactment would assure a return to the boom-and-bust economic cycles of the pre-Depression era by effectively dismantling the fiscal weapons needed to combat both unemployment and inflation.

During recession, for example, the amendment would inhibit the shifting of income from the government to the private sector through such built-in economic stabilizers as unemployment compensation and social welfare payments, Kirkland noted.

- Congress would diminish its own role as the elected representative of the people in the development of economic policy.

A BALANCED budget amendment would have significantly deepened past recessions, Kirkland added. If it had been in effect last year, the fiscal 1982 budget cuts would have to have been far deeper, "producing an even more debilitating economic morass than we now face," he said.

Earlier, President Gerald W. McEntee of the State, County & Municipal Employees reported the findings of a private study on the effects that the amendment would produce. In a speech to the National Press Club, McEntee said the study by Data Resources, Inc., predicted the following results if the measure were implemented in fiscal 1985, the earliest year possible:

- An increase in unemployment of 2.6 million people by 1987.
- A $220-billion decline (5.6 percent) in gross national product by 1987.
- A $165-billion cutback (14 percent) in federal spending by 1987.
- A $49-billion annual cutback in state and local revenues by 1987, more than four times the amount of 1981-82 Reagan cuts in federal aid to state and local governments.

"All major federal functions, including defense and social security, would have to be drastically reduced," and state and local government programs would be devastated, he said.

Bikers Rally to Save 'Harley'

A convoy of 100 motorcycles carried members of the Allied Industrial Workers from their home local in Milwaukee to the Wisconsin state capital in Madison to protest the purchase of Japanese motorcycles by the state and federal governments.

In the midst of a month-long layoff from the Harley-Davidson Motorcycle Co. in Milwaukee, members of AIW Local 209 voiced their concerns for the survival of the domestic cycle industry, threatened by an ever-rising flood of imports.

In recent months, the Wisconsin State Patrol and two U.S. Army divisions bought Japanese-made cycles, the AIW reported.

Local 209 President Jerry Knackert, above left, pointed out that Harley-Davidson has been building police motorcycles since 1906 and has supplied American military forces in two World Wars.

Teachers Score Narrow Victory In California Vote

San Jose, Calif.—The American Federation of Teachers claimed victory by a narrow margin in the runoff election to choose a bargaining representative for the 20,000-member faculty of the California State University system.

The United Professors of California (UPC), affiliated with the AFT, won 6,473 votes to 6,454 votes for the Congress of Faculty Associations. CFA is an amalgam of the National Education Association, American Association of University Professors and the California State Employees Association.

Final certification depends on the disposition of 508 challenged ballots, but the AFT expressed confidence its winning margin will be bolstered in the final count.

THE CALIFORNIA Public Employees Relations Board conducted the election and said it may take six months to reveiew the 508 challenges.

The AFT said the California victory would bring to more than 100,000 the number of higher education professionals it represents in collective bargaining.

Mississippi Fed Boosts Per Cap, Sets Voter Drive

Jackson, Miss.—Delegates to the Mississippi AFL-CIO convention approved a 10-cent increase in per capita payments and endorsed a call by the state executive board to establish a voter education fund.

The monthly payments, currently 30 cents, will rise to 35 cents next Jan. 1 and to 40 cents in 1984. Five percent of the payments will be channeled into the voter education fund, which will also rely on voluntary monthly contributions of 5 cents from each member.

IN ADOPTING a political action resolution, the 300 convention delegates stressed the need for a checkoff system of voluntary contributions to support efforts to elect labor-endorsed candidates. It pointed out that lavishly financed corporate political action committees in 1980 were a major factor in the election of an anti-labor Administration and Senate.

The convention re-elected President Claude Ramsay and Sec.-Treas. Thomas Knight by acclamation to new two-year terms. Five of six vice presidents were re-elected and M. M. Hedgline of the Rubber Workers was elected as the sixth vice president.

The convention also voted to expand the number of at-large executive board seats from 10 to 12. But the outcome of the board election was delayed pending a recount of ballots on one contested position.

IN HIS keynote address, Ramsay said Mississippi is feeling the adverse impact of President Reagan's economic policies and the recession. He criticized the state legislature for failing to pass Gov. William Winter's programs to develop new sources of revenue to replace those lost through Reaganomics.

However, labor did succeed in pushing through an increase in weekly jobless benefits from $90 to $105 and improving the workers' compensation law so that victims of job-related injuries may choose their own physicians, Ramsay noted.

HE CALLED for continued emphasis on union organizing efforts throughout the state, citing marked gains in union membership from the cooperative campaign with the AFL-CIO Industrial Union Dept. and the reactivation of the Mississippi Building & Construction Trades Council.

Resolutions adopted at the three-day convention called for rejection of loans to anti-union firms from pension plan funds that unions are involved in, congressional passage of domestic content requirements on autos sold in the United States, and the wider use of union contractors in plant construction.

City Bus Drivers Upheld On Right to Overtime Pay

Philadelphia — The 3rd U.S. Circuit Court of Appeals reinstated the claims of 21 bus drivers for overtime pay, reversing a lower federal court decision that said Pennsylvania's New Castle Transit Authority didn't have to comply with the federal wage-hour law.

The appellate court, ruling in favor of Local 89 of the Amalgamated Transit Union, held that since local and state governmental transit systems rely greatly on federal grants and funds, they cannot use the states' rights provisions of the Constitution to deny workers overtime pay.

THE CLAIMS, totaling more than $50,000, are based on two hours overtime per week for more than two years, the ATU said. Another legal dispute involving $1.5 million in unpaid overtime compensation for some 700 members of ATU Local 694 in San Antonio is expected to come before the Supreme Court later this year.

In blocking the New Castle transit workers' claims, the federal district court cited a 1976 Supreme Court ruling that states and their political subdivisions are immune from the overtime pay provisions of the federal Fair Labor Standards Act.

Embracing the 10th Amendment, the 1976 decision held that the FLSA did not extend to states when they were "engaged in traditional government functions."

BUT THE appellate court noted that the scope of the 1976 decision was sharply limited by the Supreme Court's ruling in March 1982 that workers can't be prohibited from striking a state-operated railroad. In that case, New York State attempted to invoke its Taylor Law to bar a strike by the United Transportation Union against the state-run Long Island Railroad.

Citing the UTU-LIRR decision, the appellate court said, "states are not free to assume functions historically performed by the private sector and thereby insulate those activities from federal regulation of interstate commerce."

It noted that until passage of the 1964 Urban Mass Transit Act, states were not traditionally involved in the operation of local mass transit systems. With a few exceptions, the local bus and railway lines were owned and operated by private companies.

THE COURT observed that since the 1964 law went into effect, there has been an accelerated pace of local transport companies being switched from private ownership to public ownership.

In some cases, the court said, funds and grants are provided on a 80 percent federal/20 percent local matching basis.

"The federal government has, through the matching funds programs, maintained an intimate involvement with the operation of such public systems," the court noted.

"Since it is undisputed that the national government can set employment relations in the area of mass transit, it would be unjustified to allow the states, by acquiring functions performed by the private sector, to erode federal authority in this area."

THE ATU FILED for overtime pay claims on behalf of its San Antonio members in 1976. The Labor Dept. in 1979 ordered the local transit authority to make the payments. But the publicly operated system persuaded a federal district court in Texas to block the payment order on constitutional grounds.

The Justice Dept. has now asked the Supreme Court to overturn the federal court ruling.

Postal Unions Hit Television Ad as Unfair, Insulting

Postal unions are using the mails themselves to protest a Federal Express television commercial that portrays their members—employees of the U.S. Postal Service—as lazy and rude.

Postal Workers President Moe Biller said the ad for the private overnight delivery company "insults the integrity of some 670,000 postal employees, the overwhelming majority of whom are diligent, courteous and efficient."

Vincent R. Sombrotto, president of the Letter Carriers, asserted that the ad "maligns and belittles the efforts of a dedicated and conscientious workforce."

Both officers have written the major television networks and Federal Express President Fred Smith asking that the ad be withdrawn.

Biller urged APWU members, retirees and other workers to write and call local television stations when the spot is aired to voice their objections to its content.

The ad portrays two postal employees leaning on their windows discussing their pensions and their "6,000 days to retirement" while ignoring and then rebuffing a customer's inquiry about express mail service. The narrator talks up the company's overnight service and promises "you'll never have to deal with the Postal Service again."

The APWU said the commercial "oversteps the bounds of fair advertising" because it "exploits workers in a competitive advertising scheme by holding them up to scorn and ridicule" instead of selling the merits of the company's own services.

A Senate Lemon

THE UNITED STATES SENATE, whose members are seldom to be seen shopping around in used car lots, nevertheless has rallied to the cause of used automobile dealers by voting to kill a Federal Trade Commission rule requiring the dealers to disclose any major defects in the cars they sell.

If the House follows suit, the result will be a legislative veto, killing the FTC rule designed to protect consumers from shady dealer practices that conceal major faults in a car that make it dangerous to drive or expensive to fix.

The National Automobile Dealers Association had protested that the rule was unfair and that the paper work involved in posting a sticker listing the car's defects and the warranty rights being offered would push up prices to consumers.

Now, would you buy a used car from anyone who makes that argument?

OBVIOUSLY, not all dealers are out to bilk their customers. But the industry is the biggest single source of complaints from consumers over shoddy goods, misrepresentation and failure to follow through on warranties.

The Senate's action, however, has much broader significance as a sign of how deep the conservative gospel of deregulation has taken root. Other FTC rules that face trouble in Congress are disclosure requirements for funeral directors and clothing manufacturers.

One of the few remaining champions of consumer interests among federal agencies, the FTC has come under increasing attack from conservative business interests that feel fettered by any constraints on their marketplace philosophy of "let the buyer beware."

The legislative veto process itself faces a Supreme Court review on its constitutionality. If it goes through, used car buyers had better beware. The Senate has produced a lemon, and the House should refuse to buy it.

The Only Real Way

AFTER PRESIDENT REAGAN'S press conference (May 13), we're still not sure which budget he's for and we're beginning to wonder if the President does. He had one he wouldn't compromise on, then he endorsed the Senate Republican version.

We in the American labor movement have an alternative that we know would work. It would finance recession-fighting programs by curtailing some of the most inequitable tax giveaways in the Reagan program. That program, enacted last year, has shattered records for unemployment and budget deficits.

Representatives Downey of New York and Shannon of Massachusetts have introduced legislation that would restore buying power through fair tax cuts and at the same time get America started on the road to full employment. That's the only real way to bring the budget into balance, lower interest rates and put America back to work.

Workers need jobs and the only way to get them is to create them, directly and immediately. The President should now know that giveaways to the rich do not create jobs, so it is time to turn his program around.

—AFL-CIO Research Director Rudy Oswald, May 14, 1982.

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'You Need the Right Tool!'

The Caribbean Caper

Reagan's 'Marketplace Magic' Done with Government Mirrors

By Gus Tyler

THE ISLAND OF Jamaica shall become the showplace of the Caribbean. That is the resolve of President Reagan. He says that we will do this by applying the "magic of the marketplace." But by the time the President is finished, he may well prove quite the opposite; namely, that the free market—left to itself—could not do the job and that the U.S. government had to step in.

Jamaica is rich in bauxite, the ore for aluminum. Jamaica also suffers from an unemployment rate of 25 percent. If the "marketplace" operated as they say it does, Jamaica should not be in this fix. Private enterprise should be mining the bauxite, giving jobs to jobless Jamaicans who, in turn, would make purchases to give jobs to other jobless Jamaicans.

BUT THAT is not happening. American aluminum companies hesitate to make a big investment in Jamaican bauxite because they are not quite certain how big a market there will be for aluminum and because they are not quite sure that their investment will be secure against war or revolution in the unstable Caribbean.

Indeed, a group of American businessmen, who call themselves the U.S. Business Committee on Jamaica, quite candidly admit that "pure private investment in the more traditional sense will not do the trick by itself." The "private" investors need two assurances: first, that there will be a guaranteed market; second, that there will be protection for their investment in the event of a political upheaval.

Enter Uncle Sam—the government. The General Services Administration, at the behest of President Reagan, has taken steps to buy $67 million worth of Jamaican bauxite to be added to the stockpile of American strategic materials. Not that we need the stuff. In fact, to justify the purchase, the Federal Emergency Management Agency had to reorder its priorities because, up to now, bauxite did not enjoy a top priority.

BUT UNCLE SAM'S help—$67 million of the taxpayers' money and the juggling of priorities—did not end there. The General Services Administration waived the rule for competitive bidding and brushed aside the additional rule for the transport of such purchases in American vessels. In explaining why he had to bend the rules, the GSA commissioner said: "I follow the directives of the President."

So—Uncle Sam will not be getting the bauxite from the lowest bidder and Uncle Sam will not be protecting the jobs of American sailors. Instead, Uncle Sam will be pushing profits for a couple of aluminum companies by manufacturing a market for them and by holding down their shipping costs.

But even these interventions by government in the "marketplace" do not exhaust the largess of the Administration on behalf of the aluminum companies. The government will insure the investment of the aluminum companies in Jamaica through OPIC (Overseas Private Investment Corp.). To do so, the government had to violate its own policy which says that no more than 10 percent of OPIC insurance shall apply to any one country. (Jamaica is well over the 10 percent.) But, as the vice president of OPIC explains: "The President says we want to help the Caribbean and Jamaica, so we can bend the rules."

FROM ALL these shenanigans, two questions emerge:

First, is Reagan out to help Jamaica or to help a couple of aluminum companies—at the expense of the American taxpayer and the American seafarer?

Second, if this Caribbean caper does succeed in helping Jamaica, will it prove the "magic of the marketplace" or the "magic" of government intervention in the economy?

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Kirkland Spells Out Objections

Balanced Budget Amendment Undermines Role of Congress

The following is excerpted from a letter to all senators from AFL-CIO President Lane Kirkland spelling out labor's objections to a constitutional amendment requiring a balanced federal budget and urging them to oppose the measure.

THE AFL-CIO is strongly opposed to Senate Joint Resolution 58, which would establish a rigid constitutional amendment requiring a balanced federal budget while imposing severe restrictions on the taxing authority of the Congress. This drastic constitutional revision could be considered in the near future by the full Senate, which elevates this legislation to the level of a serious threat to America's constitutional and economic well-being. Major objections to this legislation are:

1. Economic problems and appropriate fiscal policy should be addressed within the confines of the normal legislative process rather than by way of an arbitrary constitutional mandate. The congressional budget process, as embodied in the 1974 Budget Act, permits Congress by majority vote to make any fiscal policy decision it desires. More importantly, that law maintains the necessary flexibility to make and readjust those economic decisions by preserving for Congress its ability to consider the state of the economy as the primary basis for its budgetary actions. The proposed amendment would deny Congress that flexibility. Its constitutional straitjacket would immobilize congressional authority to use its fiscal powers—taxing and spending authority—to abate such problems as depression, inflation, natural disasters or other economic crises.

2. Congress would be effectively prevented from making timely, majority decisions to prevent economic crises from quickly deteriorating into economic catastrophes. Section I of the amendment demands a three-fifths vote of the full membership of both Houses of Congress to unbalance the federal budget for any reason or for any national emergency except war. Given the present difficulty of achieving a majority consensus on the direction for the fiscal 1983 budget, the three-fifths requirement could well result in frequent legislative stalemates and recurring constitutional crises.

3. A balanced budget amendment would have significantly deepened past recessions. A 1976 study by the Joint Economic Committee evaluating the impact of different fiscal strategies between 1965 and 1974, found that this requirement would have substantially reduced economic growth, increased unemployment, and, in some cases, would have worsened inflation.

Had the proposed amendment been in force last year, the fiscal 1982 budget cuts would have to have been far deeper, producing an even more debilitating economic morass than we now face.

4. The enactment of the proposed amendment would assure a return to the boom and bust economic cycles of the pre-Depression era by effectively dismantling the fiscal weapons needed to combat both unemployment and inflation. During recession, for example, the amendment would inhibit the shifting of income from the government to the private sector through such built-in economic stabilizers as unemployment compensation and social welfare payments.

Conversely, during periods of inflation, the amendment would exacerbate the inflationary cycle. The progressive nature of our tax system now contains effective built-in stabilizers to prevent this because tax receipts tend to rise faster than national income during economic upswings—a process that helps curb inflation. Under the arbitrary tax-limitation requirement of the amendment, Congress would be required to cut taxes during inflation, pumping income into an already over-heated economy, and thus undercut the stabilization process.

5. Congress would diminish its own role as the elected representative of the people in the development of economic policy. Congressional abandonment of its fiscal prerogatives would upset the delicate balance of power within our tripartite system of government and allow the fiscal policy decision-making process of the Executive Branch to expand at the expense of Congress.

Meanwhile, the monetary policies of the Federal Reserve Board—an unelected body usually unresponsive to the economic concerns of both Congress and the President—would be enhanced even though its powers are by themselves incapable of preventing a relatively mild economic downturn from degenerating into a recession.

6. The amendment would seriously undermine the concept of majority rule. The requirement of a three-fifths vote of the entire membership of both houses of Congress to permit deficit spending in effect hands over to a minority of Congress the control over the power of the purse. The political will of the American people as determined in the federal election process would be circumvented. Congress, already faced with criticism for paralysis on the budget issue, would be seen as a helpless debating society.

The Founding Fathers designed the Constitution as a framework for a lasting government capable of meeting the needs of the people but leaving the definition of those needs to the three branches of the government. They were careful to craft a constitutional blueprint which would discourage the intrusion of transient issues that would render it a meaningless repository of economic and social theories quickly outdated by shifting political trends.

The compelling constitutional and economic objections are overwhelming. We urge you to refrain from cosponsoring S.J. Res. 58 and to oppose this constitutional amendment when it comes before the full Senate.

End Run Around Congress

Move to Decontrol Gas Prices Shifts to Federal Energy Panel

FACING PROBABLE rejection of any effort to decontrol natural gas prices by law, the Administration is now trying to deliver on its campaign promise to the industry with an end run around Congress to the Federal Energy Regulatory Commission, Howard Marlowe, associate director of the AFL-CIO Dept. of Legislation, charged.

If the Administration's tactic of bypassing Congress works and the commission lifts the price controls on "old gas" (deposits discovered before 1978) the average household that heats and cooks with gas would face cost increases of $400 to $600 a year, Marlowe said.

Total and immediate decontrol of all natural gas—both old and new—the Administration's ultimate aim, would add about $1,000 a year to average household costs through a combination of direct rate hikes and higher price tags on manufactured items, he added. Marlowe appeared on the network radio interview, Labor News Conference, aired weekly by Mutual Radio.

MARLOWE SAID the coalition of union, consumer and senior citizens groups that helped develop substantial opposition to decontrol in Congress is now focusing its efforts on the FERC. He pointed out that since the commission is an independent agency within the Executive Branch controlled by the Administration, the President's push can be much more persuasive there than on Capitol Hill.

But, he stressed, the commission is fully aware of the strong congressional opposition to "back door decontrol or any other move to allow the price of natural gas to increase significantly" and of the potential fallout from acting over the objections of people throughout the country."

Marlowe said that adding a windfall profits tax to decontrol would not overcome the opposition.

Washington Window

By Press Associates, Inc.

THERE IS A MOVE afoot in Congress to strip the federal courts of their power to protect constitutional rights in several important areas.

The 97th Congress has been flooded by some 30 bills which would nullify the authority of the federal courts—and even the U.S. Supreme Court in some versions—in the areas of school desegregation, school prayer, and abortion.

While Americans may disagree over the particular issues addressed by the various bills, the point stressed by critics is that the bills attack the independence of the third branch of government—the judiciary—and thus undermine the delicate system of checks and balances designed by the framers of the Constitution.

By trampling the power of the federal courts, the Legislative Branch would be limiting the access of citizens to a time-tested avenue for seeking justice. A dangerous precedent would be established and the liberty of all would be threatened.

This is why the "court-stripping" bills are being opposed not only by labor, minority, civil liberties and women's groups, but also by the American Bar Association, scholars of constitutional law and many religious groups.

On the other side, Congress has felt strong pressure for the "social issue" legislation from such right-wing zealots as the Moral Majority, which for years has lambasted the courts for being overly "activist" in protecting the rights of minorities. The congressional push for the legislation is led by Sen. Jesse Helms (R-N.C.).

THE SOCIAL ISSUE legislation which has moved farthest through Congress is the so-called Helms-Johnston anti-busing amendment to a Justice Dept. appropriations bill. The Senate passed the amendment by a 57-37 vote Mar. 2 following a lonely filibuster attempt by Sen. Lowell Weicker (R-Conn.). The bill is now pending in the House.

The Helms amendment would forbid the Justice Dept. to become implicated in any school desegregation case involving pupil transportation. It prevents the federal courts from ordering busing beyond the neighborhood school even if it is the only means of desegregation.

Further, the amendment authorizes the Attorney General to reopen closed desegregation cases if they require busing. Every case since the 1954 Brown ruling by the Supreme Court would be subject to review, regardless of the disruptive effects.

Thus, the amendment stands the Constitution and the 1964 Civil Rights Act on their heads by permitting the Justice Dept. to aid people whose action may violate constitutional rights, but not those who are being denied their rights.

David R. Brink, president of the American Bar Association, said that "these bills all must be deemed legally unconsitutional."

Brink said that by turning issues involving constitutional rights over to state courts, the bills would "convert America into a kind of league of independent states instead of one nation"

EVEN IF the Supreme Court were to declare the Helms amendment to be unconstitutional and void, the national disharmony created would be extreme, Brink observed. He said "those bills are leading us to the most serious constitutional crisis since our Civil War."

These bills, Brink continued, "threaten forfeiture of our progress in broader access to law and justice, equal protection of all citizens, including minorities and the poor, and eradication of discrimination of all kinds."

"But more than that," said Brink, "they threaten the rights of all of us. Once the door is opened, the rights of free speech, free press, free assembly and free exercise of religion could be the next to be abolished or curtailed."

PRESIDENT REAGAN is trying to lift price controls on natural gas with an end run around Congress to the Federal Energy Regulatory Commission, Associate Director Howard Marlowe of the AFL-CIO Dept. of Legislation, center, charged on Labor News Conference. He was questioned by Calvin Zon, left, of Press Associates, Inc., and Dale McFeatters of the Scripps-Howard Newspapers. The AFL-CIO produced public affairs program was broadcast on Mutual radio.

Energy Costs Down Sharply At Wholesale

Wholesale prices in April rose by only one-tenth of 1 percent, largely the result of a record decline in energy prices, the Bureau of Labor Statistics reported.

The slight rise in the government's producer price index for finished goods followed declines of one-tenth of 1 percent in both February and March. The index measures the prices of goods ready for sale to the ultimate user.

ALONG WITH the small rise in the finished goods index in April, there was a drop of six-tenths of 1 percent in the index for goods at the intermediate stage of production, the third consecutive monthly decline.

But raw materials prices, bolstered by a 3.5-percent rise in foodstuffs and feedstuffs, jumped 1.8 percent.

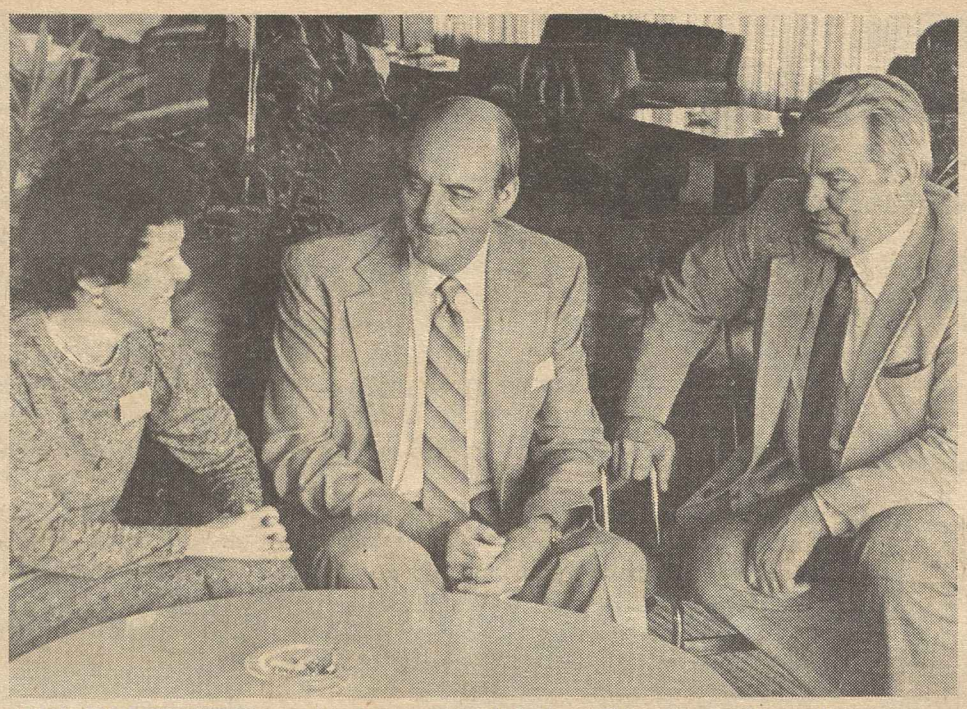
The finished goods index, which is a rough measure of the kind of inflation consumers likely will face in the near future, was up 3.1 percent from April 1981, BLS said.

The index for finished consumer foods soared 1.6 percent over the month, following a decline of two-tenths of 1 percent in March and a rise of five-tenths of 1 percent in February. Farther back in the supply line, at the intermediate stage, foods and feeds jumped 2.4 percent while raw foodstuffs and feedstuffs climbed even higher, 3.5 percent.

THESE SHARP price rises for food were almost offset by a 5.2 percent drop in energy prices over the month, however. Gasoline prices fell 7.2 percent, and prices of home heating oil dropped 8.8 percent.

New car prices for dealers declined 1.3 percent in April, duplicating February's rebate-caused drop in prices despite the disappearance of many of the price promotions, BLS said.

Capital equipment prices, including factory machinery, rose four-tenths of 1 percent, about the same as in March. Wholesale prices also increased for furniture, newspapers and magazines, home electronic equipment, jewelry and cosmetics. Prices for clothing fell.



U.S. DELEGATES to the International Labor Organization's conference on coal mining in Geneva confer during a break in sessions. From left, Barbara Dunkak of the Labor Dept.'s bureau of international affairs, Miness Pridemore of the Mine Workers and William C. Waggoner of the Operating Engineers.

Polish Junta Assailed at ILO On Absent Worker Delegates

Geneva—Poland's military dictatorship was sharply denounced by trade unionists for failing to include worker representatives on its delegation to a 21-nation International Labor Organization conference here on the coal mining industry.

International federations of miners and other unions voiced indignation because Poland was represented only by government delegates despite its importance as a coal producing country.

A SPOKESMAN for ILO Director General Francis Blanchard assured the delegates that any government that fails to observe the cardinal ILO rule requiring member countries to include trade unionists and employers on their delegations must explain this failure. The ILO Governing Body will receive a report on the explanations given.

The Polish government delegates did not attempt to respond to the criticism, nor did any of the allies of the union-busting Warsaw regime. The Polish junta abolished the Solidarity labor union when it imposed martial law last December.

At the end of its 10-day session, the conference called for the "improvement of working and living conditions" for miners everywhere as the coal industry expands production to help solve the world's energy problems.

"THE OBJECTIVE should not be that miners work harder but that more efficient means of production be developed," the unanimously adopted conclusions stressed.

With the key issues of retirement age and benefits and of employment and training "well covered," the session was termed a success by the worker representatives on the U.S. delegation.

William C. Waggoner, vice president of the Operating Engineers, sat on the committee that examined retirement questions, while Miness Pridemore, Mine Workers' board member, worked on the committee that drafted the conference's recommendations on employment and training

The emphasis in the latter committee was on the promotion of the health and safety of coal miners. Governments were urged to join with unions and mine operators to assure the adoption of national laws for "minimizing hazards and anticipating problems."

THERE IS "no inherent conflict between safety and health legislation and a high level of productivity," the conference pointed out.

Most of the guidelines drafted by the conference were aimed at helping developing countries to bring their mining standards more in line with those already in effect in the industrialized world, Pridemore said when commenting on the session's work.

"But getting together and getting to understand each other better was important because we all have the same problems in the coal mines," he said.

No attempt was made to recommend a uniform retirement age because, as worker delegates stressed, life expectancy varies from country to country. Instead, they urged removal of all obstacles preventing miners from benefiting from their retirement "in dignity."

NOTING THAT "early retirement is already recognized in many countries," the conference said that because of their taxing work, miners should be able to benefit from "voluntary early retirement benefits starting at a lower age" than that set in social security legislation as the general rule.

The conference's conclusions go to the Governing Body for follow-up action, which can include formal proposals that the organization's 147 member states adopt new international conventions to upgrade the living and working standards set earlier by the ILO.

Labor Says Pension Plans Need Investment Flexibility

Unions fully recognize the need for pension fund investments in home mortgages to spur housing construction, but these funds must not be expected to subsidize economic recovery at the expense of jeopardizing workers' retirement income, the AFL-CIO told a Senate Finance subcommittee.

Flexibility in investment policy is essential to pension plans, Director Henry B. Schechter of the federation's Office of Housing & Monetary Policy testified. He voiced objection to proposals floated in Congress that would require that a certain portion of pension fund investments be put into residential mortgages as a condition of continued tax exemption.

"SUCH A statutory requirement would place a constraint upon the pension funds in obtaining the highest market yield for a given degree of risk for beneficiaries," he said. "Nobody is suggesting similar legislation for mutual life insurance companies, or 'IRA' or 'Keogh' accounts which also hold large amounts of long-term capital funds."

Many union pension funds are already involved in residential mortgage investments and that commitment is expected to grow, he said, but "we object to such mandatory requirements."

Schechter pointed out that the AFL-CIO has operated its non-profit Mortgage Investment Trust Fund since 1964 and is now seeking government approval for a Pooled Investment Trust to channel funds into real estate mortgages.

He also noted that the Building & Construction Trades Dept. launched a major effort earlier this year to bring pension fund investments into unionized construction projects.

But any arrangement what would place mandatory requirements on union pension investments would be inequitable and actually have little practical impact on the availability and cost of mortgage money.

"Given the great need for housing—particularly for low- and middle-income housing—and the need to revive a depressed economy, there should be some federal support to help fill the gap between market and affordable interest rates," he stressed.

THE HOUSE took a big step in that direction when it voted 349-55 over strong Reagan Administration opposition for mortgage interest subsidies for moderate-income homebuyers.

BCTD President Robert A. Georgine, testifying as chairman of the National Coordinating Committee for Multiemployer Plans, said pension funds should be "enthusiastically encouraged" to invest in residential mortgages.

He said such investments would satisfy two key pension fund objectives:

- Provide a reasonable return on the investments.
- Create additional jobs that would in turn bring more money into the funds.

"It is the type of investment which will help stimulate our national economy and provide a chance for individuals and families to participate in the American dream of owning their own home," Georgine stressed.

Reports Show Economy Still Headed Down

(Continued from Page 1)

said the last time the rate was lower was in May 1975, when it was at 70.3 percent. The 71.1-percent figure was the same as last January's rate, which many economists believe was held down by unusually bad weather.

THE OPERATING rate for motor vehicle and parts plants increased for the third straight month in April, but the industry still was using less than 55 percent of capacity, the Federal Reserve said.

Perhaps the surest sign of the deepening recession was the Commerce Dept.'s report of a 6.4-percent decline in housing starts in April. At the same time, the department revised its March figure to show a four-tenths of 1 percent decline from the February level instead of the 2.5-percent gain originally reported.

"Against the backdrop that everyone is looking for hopeful signs of an economic upturn, this is a disastrous report," said the department's Ortner.

Mark J. Riedy, executive vice president of the Mortgage Bankers Association of America, and Michael Sumichrast, chief economist for the National Association of Home Builders, agreed that housing is unlikely to show much recovery until interest rates—now holding at 17 percent—come down substantially.

In its report on economic growth, the Commerce Dept. said "real" gross national product, or the value of the total output of the nation's goods and services expressed in 1972 dollars, was down $16.2 billion to $1.482 trillion. Real GNP fell 4.5 percent in the fourth quarter of 1981 and for all of last year showed a 2-percent increase over 1980.

Actors, Extras Merger Loses In SAG Balloting

Los Angeles—The proposed merger of the Screen Actors Guild with the Screen Extras Guild has been narrowly defeated by the SAG membership.

Results of the mail balloting were 11,394 or 56.7 percent in favor of the merger and 8,670 or 43.3 percent opposed. The measure required 60 percent approval for passage.

The SEG membership had already approved the merger by a 76 percent vote in March.

SAG National Executive Secretary Ken Orsatti expressed disappointment at the results, noting that the union's board had supported the merger as being "in the best interest of the membership." He said defeat of the merger "will be a blow to the extras we already represent in New York and the surrounding areas. However, we pride ourselves in being a democratic union, and the membership has spoken."

SAG President Edward Asner predicted that the rejection would strengthen management's position and said it could lead to further erosion of the extras jurisdiction.

"The membership has voted, and we shall abide by their decision," Asner said. "However, I hope we shall be able to carry on further discussions within the membership and reconsider the matter at a later date."

IUE Adds Unit of 400 At Mississippi GM Plant

Brookhaven, Miss.—The Electrical, Radio & Machine Workers will represent 400 workers at the General Motors Corp. plant here, the union announced.

Under a special agreement between the IUE and GM, the union achieved bargaining rights without a representation election because a majority—56 percent—of the GM employees signed union authorization cards.

AGENDA ITEMS at ICFTU meeting in Brussels are studied by two members of the AFL-CIO delegation, Vice President Glenn Watts, left, and Irving Brown, the federation's European representative, next to Watts. In photo at right, ICFTU staff officers confer with Otto Kersten, the confederation's general secretary, center. From left, are: John Vander Verken, assistant general secretary; Enzo Friso, director of ICFTU's Latin American affairs department; Kersten; P.P. Narayanan, president, and Peter de Jonge, director of the confederation's Asian affairs department. The AFL-CIO reaffiliated with the ICFTU this year.

Federation Delegates Draw Warm Welcome from ICFTU

(Continued from Page 1)

A resolution on the struggle of Polish workers for human and trade union rights called on affiliated organizations of the 85-million member ICFTU to continue and intensify their protests in support of the Poles and to urge their governments to put the strongest possible pressure on Polish authorities to end martial law; free all those interned for their activity in behalf of Solidarity, the suspended free union federation, and open negotiations with legally chosen Solidarity representatives on ways to solve the country's immense social and economic problems.

A STRONG and early supporter of Solidarity, the ICFTU said in a background paper that the massive turnout of Solidarity backers on May 1 and 3 in Warsaw and other major Polish cities confirmed the popularity and strength of the independent labor movement and showed that "the spirit of August 1980 is still very much alive." Solidarity emerged at that time from a wave of strikes that swept Poland.

"The public acts of protest that have taken place so far prove the unflinching desire to continue the struggle for independent trade unions," the ICFTU paper observed.

"It is also very significant that in the five months of open terror, with civil rights being suspended, the political police have achieved only meager success, having been unable to arrest the well-known Solidarnosc leaders who are in hiding, or suppress the editorial cells and printing facilities of the independent union."

THE ICFTU resolution also called on the Polish military junta to allow an International Labor Organization fact-finding mission to enter Poland. (The Associated Press later reported from Geneva that an ILO envoy had met with Polish authorities to discuss pending revisions in Poland's trade union legislation and the plight of interned trade union members, and was preparing a report for ILO Director Gen. Francis Blanchard.)

In other resolutions, the ICFTU board registered a strong protest over the "persistent harsh oppression of human and normal trade union rights" in Turkey and the continued suspension of a number of trade unions freely founded under Turkish law. Another resolution deplored the repression of trade union rights to strike and bargain collectively in Bangladesh under the new military regime and called for an ICFTU mission to assess the matter.

THE BOARD also adopted a measure renewing its demand for Soviet withdrawal of troops from Afghanistan and the right of the Afghan people to determine their own future free of outside constraints.

In other matters, the board:

- Accepted the membership application of the Council of Unions of South Africa, an umbrella organization in Johannesburg established in September 1980 that currently comprises nine unions. CUSA seeks to develop an awareness and consciousness of the black community in South Africa which has been denied any leadership role.
- Ratified the appointment of Evelyn D'Souza of the Indian National Trade Unions Congress as an executive board member, filling a vacancy.
- Elected AFL-CIO Vice President Joyce D. Miller a member of the ICFTU/ITS Committee on Women Workers' Questions.
- Scheduled the ICFTU's 13th World Congress at Oslo, June 23-30, 1983.

In addition, delegates accepted reports on ICFTU educational activities and financial matters and heard others dealing with Africa, Asia, Europe, and Latin America, particularly El Salvador.

Equal Rights Needs Stressed To Japanese Women's Parley

Tokyo—The need to improve the status and working conditions of women is a major concern of both the U.S. and the Japanese labor movements, AFL-CIO President Lane Kirkland stressed in a message to delegates at a conference on women's issues here.

Women in the United States still experience discrimination, "and the trade union movement continues to place great emphasis on the need for equal treatment of women in all aspects of employment," Kirkland said in a cable to the 23rd National Women's Assembly of Japan.

THE ASSEMBLY, organized by Domei, the Japanese labor federation, marked the anniversary of the extension of voting rights to Japanese women in 1960.

Kirkland said the primary concern of the AFL-CIO is that working women "continue to suffer from widespread wage discrimination in the workplace."

The federation has redoubled its efforts to see that all workers are paid equally for work of comparable value, and to remove all barriers to equal opportunity for women, Kirkland said.

IN THE United States, he pointed out, many women are the principal or sole support of their families "and any policy by which they receive less pay than would a man for comparable work we consider an infringement of their civil rights."

The assembly, held May 20-21, drew more than 1,000 delegates from throughout Japan. Its theme was "Aiming for Equal Rights, Independence, Solidarity and Action."

Among the resolutions considered by the delegates was support for the United Nations convention on elimination of all forms of discrimination against women.

Canada's Jobless Rate Jumps to 9.6 Percent

Ottawa—Unemployment in Canada rose from 9 percent in March to 9.6 percent in April, a post-World War II high, the government announced.

Statistics Canada, a federal agency, said the seasonally adjusted figure was the highest since at least 1946, when the government began compiling unemployment data on a monthly basis. The jobless rate meant that, in a work force of 12.5 million, 1.2 million were officially out of work.

The government said it could not do much to alleviate the situation until the Reagan Administration relaxes its tight-money policy. Canada has felt obliged to keep its short-term interest rates in step with those in the United States to protect its currency.

"The key to world recovery at the present time, for the United States and for other countries, is a change in the monetary policy that is being pursued in the United States," Finance Minister Allan MacEachen told the House of Commons.

Labor Endorses Bills to Extend Credit Controls

The AFL-CIO welcomed bills introduced in both the House and Senate to extend the Credit Control Act, declaring that the seldom-used law "is too valuable as an inflation-cutting tool to let it die."

Economist Henry Schechter, director of the AFL-CIO Office of Housing & Urban Affairs, termed credit control "an alternative to tight money, high interest rates, unemployment and bankruptcy" in the fight against inflation.

The 1969 law, which will expire on June 30 unless Congress acts, allows the President and the Federal Reserve Board to curb credit for such unproductive purposes as speculation and corporate takeovers in order to free funds for job-creating industries and housing.

WHEN USED briefly by President Carter, it "gave the economy a strong boost" and interest rates declined, Schechter noted.

A bill to extend the law has been introduced in the Senate by Alan Cranston (D-Calif.) and is sponsored in the House by Banking Committee Chairman Fernand St Germain (D-R.I.).

Cranston told a Capitol Hill news conference that $70 billion in credit is tied up in financing corporate mergers. "That's one of the big reasons why interest rates are high," he said.

In a statement recorded for radio news programs, Schechter noted that "credit controls are one of the most effective tools that Japan uses to hold down inflation, interest rates and unemployment." The United States, he urged, "needs credit controls for the same reasons."

Home-Taping Fee Endorsed Under Copyright Law

A copyright law amendment that would impose a modest royalty fee on recording devices and blank video and audio tapes was endorsed by the AFL-CIO and its Dept. for Professional Employees as the most equitable solution to a dispute over home-taping of broadcasts.

The Senate Judiciary Committee is considering legislation that would amend the Copyright Act so as to allow individuals to tape telecasts for their own use. It would negate the effect of a federal appellate court's ruling that taping of a broadcast program is a copyright violation.

DEPARTMENT Director Jack Golodner, who also testified for the AFL-CIO, urged instead the version proposed by Sen. Charles McC. Mathias, Jr. (R-Md.).

The Mathias amendment would also legalize home tapings. But it would assure compensation for the copyright owners by directing a Copyright Royalty Tribunal to set reasonable fees to be paid by manufacturers and importers of both audio and video recorders and the blank tapes used for recordings.

Golodner stressed that the labor-supported legislation seeks a balancing of interests, and not the suppression of technological advances such as video cassettes.

The Mathias amendment is the fairest approach, he testified. "It would legitimize home audio and video taping of copyright materials for in-household, non-commercial purposes and it would assure that all individuals will be able to fully utilize these technologies for their personal benefit," Golodner said. "In return, copyright holders would be assured a limited share of the revenues that are now realized principally by the manufacturers and importers of video and audio recording equipment and blank tapes that would never exist but for the creators of the works which these machines and tapes copy."

DESPITE THE earnings of a few big stars, Golodner reminded the committee, most creative and performing artists experience high unemployment and relatively poor pay and work in a marginal and unstable industry.

"Through films, recordings and tape, they now serve hundreds of millions with their art. They have not been able to share in the profits made from their labors because the copyright laws in this country are blind to the new technologies," he testified.

Humanities Grant Aids Work of Meany Archives

The AFL-CIO's George Meany Archives is the beneficiary of a grant to help collect and prepare for exhibit and reference materials related to the late federation president's career and AFL-CIO history.

The grant for $99,000 from the National Endowment for the Humanities will permit the hiring of two archivists and underwrite additional services over a two-year period, archives Executive Director Ernest S. Lee said.

The George Meany Center for Labor Studies will administer the grant.

PED Study

Reagan Policies Found Aggravating Recession

(Continued from Page 1)

President can no longer blame his predecessors."

THE BLAME must also be shared by the President's supporters in the House and Senate, he added. Blaylock is president of the Government Employees.

He said the Administration can't take credit for reducing inflation, either, since factors beyond its control are the major reasons for the decline in prices, among them the worldwide oil glut which has held down energy costs and good harvests that have meant lower food prices.

To compare the performance of the economy, the PED study used an alternative or "baseline" economic model that held federal spending at current levels, scaled back personal income tax cuts by $20 billion through fiscal year 1983, reduced tax loopholes for corporations, and slightly increased the money supply.

This model forecast greater economic growth, lower unemployment and a reduced federal budget deficit at the cost of only a slight rise in the inflation rate.

But if the Administration's policies are allowed to continue, the study predicts:

- Unemployment up by 700,000—200,000 by the end of fiscal 1982 and 500,000 in fiscal '83.
- A decline in real economic growth of 0.6 percent in 1982 and 1.3 percent in 1983.
- A drop-off in business investment of 2.1 percent in 1982 and 3.2 percent in 1983.

Auto sales are forecast to drop 1.2 million by 1983, and housing starts will drop by another 500,000 in that period.

DESPITE THE President's calls for a balanced budget, the study predicts the Administration's own policies will jack up the federal deficit by about $19 billion in fiscal 1982 and $48 billion in fiscal 1983.

State and local governments will take a beating thanks to the Administration's policies, the study says. It predicts a $2.9 billion tax receipt loss, and states whose codes for taxing corporations follow federal standards will suffer even greater losses as a result of the Administration's accelerated depreciation allowance.

Another $29.5 billion over the two-year period will be lost to the states in decreased federal grants, PED pointed out.

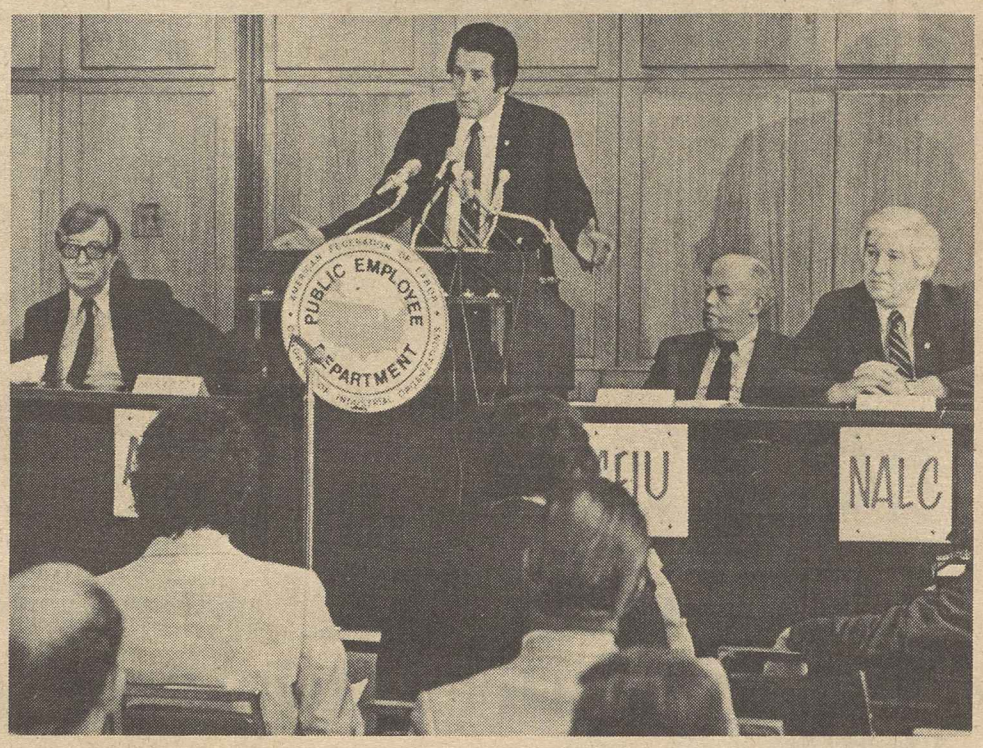
Taken together, the Administration's economic programs will swell the unemployment rolls in all states, the study forecasts.

HARDEST HIT will be the major industrial states where additional unemployment for New York could top 54,000; Pennsylvania, 35,000; Ohio, 33,000; Illinois, 36,000; Michigan, 26,000; New Jersey, 23,000; and Massachusetts, 20,000.

The study estimates that heavy job losses in the construction industry will be especially hard on California with a loss of 77,000 jobs; Texas, 49,400, and Florida, 29,700.

Blaylock told the reporters that the PED commissioned the study in response to President Reagan's scoldings that critics of his program haven't given it a chance to begin to work.

"Not only is Ronald Reagan's program responsible for the current recession, but if it stays in place much longer the situation will only get worse: We can't afford to wait," Blaylock said.



THE NATION'S deepening recession is the direct result of President Reagan's economic policies, President Kenneth T. Blaylock of the AFL-CIO Public Employee Dept. declared in citing findings of a PED-commissioned study. With Blaylock at a press conference announcing results of the study were PED Sec.-Treas. Albert Shanker, left, and Executive Vice Presidents John J. Sweeney and Vincent R. Sombrotto.

American Motors Accord Ratified

Detroit—The Auto Workers announced full ratification of the union's new three-year contract with American Motors Corp., after UAW Local 12 members in Toledo, Ohio, voted in a second balloting to approve the pact.

Local 12 members had rejected the same proposal May 3 by a 1,530 to 1,309 vote but this time accepted it by a margin of 1,840 to 806. The union said about 400 votes were left to be counted and that a final tabulation would be released later.

"After a long and difficult process, which tested the democratic procedures of the UAW, a history-making agreement with AMC has been ratified," UAW Sec.-Treas. Ray Majerus said in a statement.

THE SETTLEMENT had already been approved by AMC locals in Milwaukee and Kenosha, Wis.

Under the agreement, the union's 14,000 AMC members would defer six quarterly cost-of-living increases and general pay increases through 1985, plus a number of paid personal holidays. The company would invest the savings—expected to exceed $100 million—in financing new product developments. The deferred wages would be repaid at 10 percent interest.

The UAW earlier agreed to concession contracts with General Motors Corp. and Ford Motor Co.

Senate GOP Abandons Plan For Social Security Slashes

(Continued from Page 1)

restore about $10 billion over three years to Medicare payments to the elderly was turned back by a 60-39 vote. Only one GOP senator voted for the amendment, while seven Democrats crossed over to the Republican side.

The Senate also refused to reduce military spending, rejecting a proposal by Sen. Nancy L. Kassebaum (R-Kan.) to cut the rate of real growth in the military budget from 9.7 to 7 percent in the coming fiscal year. The proposal would have cut defense spending by $13.9 billion over the next three years from the level endorsed by President Reagan and the Senate Budget Committee.

DEMOCRATS IN the Senate sought to shelve Reagan's 10-percent income tax cut scheduled for July 1983. Sen. Ernest F. Hollings (D-S.C.) is chief sponsor of a bill that would reduce the budget deficit nearly $77 billion cumulatively over the next three years by doing away with the 1983 income tax reduction.

In other congressional action:

- The House Judiciary subcommittee on Immigration, Refugees & International Law approved a revision of immigration law to make it a crime to knowingly hire illegal aliens. Sponsored by Rep. Romano L. Mazzoli (D-Ky.), the bill is similar to one sponsored in the Senate by Alan K. Simpson (R-Wyo.). Employers knowingly hiring illegal aliens in this country would be subject to civil and criminal penalties, including jail terms.
- The Senate voted 69 to 27 to overturn a Federal Trade Commission rule requiring used car dealers to warn customers about known defects in the vehicles they sell. The AFL-CIO and a number of consumer groups support the rule. If the House also votes to overturn the rule, it would be the first congressional veto of a proposed FTC regulation.
- The Senate Appropriations Committee approved a $5 billion program in mortgage subsidies over the next five years—including a $1 billion emergency appropriation for the current fiscal year to revive the ailing housing industry. Opposed by the Administration as too costly, the program would give a subsidy of mortgage interest for qualified buyers of new homes. The subsidy would be four percentage points the first year and decrease by three-fourths of a point each year after that.

The House already has passed a $1 billion emergency housing subsidy bill that differs in many details from the Senate bill. Both the House and the Senate measures would generate work for building trades and timber workers, as well as provide thousands of American families with decent housing.

Stiffer Penalties Backed on Pay Chiseling

The Fair Labor Standards Act has been eroded by a cutback in enforcement, wrist-slapping penalties for violators and slippage in the real value of the minimum wage, the AFL-CIO testified.

A House Labor Standards subcommittee is considering a bill by its chairman, Rep. George Miller (D-Calif.), that would toughen penalties for violations of the wage-hour law. It would require employers to pay victimized workers three times the amount of the underpayment—and to deposit the amount due with the Labor Dept. if a former employee can't be located.

AFL-CIO RESEARCH Director Rudy Oswald agreed with Miller that present penalties are so light as to constitute an incentive for violations. As Miller noted, the "worst thing that could happen" to a lawbreaking employer under existing law is to be required to reimburse a worker for what he should have been paid earlier. But if the worker is no longer employed at the establishment and can't be notified, the employer merely pockets the illegal "profit."

That point was stressed also in earlier hearings the subcommittee held in New York, where Ladies' Garment Workers President Sol C. Chaikin and Service Employees President John J. Sweeney were among the witnesses.

Several trade association representatives also testified in favor of tougher penalties, which Oswald said points up the fact that fair employers will be helped by a crackdown "against unscrupulous employers" who cheat their workers.

THE MINIMUM WAGE Study Commission recommended stiffer penalties and Labor Sec. Raymond J. Donovan indicated support for toughening the law, Oswald noted. But he said the trade union movement has difficulty reconciling the Administration's words with its cutback of enforcement funds.

Last year, Oswald stressed, the number of wage-hour compliance officers was reduced more than one-third, from 1,107 the previous year to 732.

Oswald urged that any consideration of Fair Labor Standards Act changes also include a provision for indexing the minimum wage annually to reflect changes in average hourly earnings in the private sector. He noted that a staff study for the minimum wage commission had concluded that such a system of "regular and predictable increases would be noninflationary and would help minimum wage workers keep up with inflation."

CONGRESS lessened the erosion of the minimum wage in a 1977 law that provided annual step-ups in 1978, 1979, 1980 and 1981, to reach the present level of $3.35 an hour. But its value has slipped unchecked since then, Oswald noted.

"Justice for low-wage workers demands immediate action to raise the minimum wage," he testified. "The economy needs—and must have—the added purchasing power these increases will provide."

French Steel Firms Accused of Dumping

The Steelworkers and a U.S. industry group accused five French companies of dumping steel imports on the American market—that is, selling the material at lower prices in the United States than in France.

The anti-dumping action filed with the Commerce Dept. by the USWA and 11 American specialty steel producers charged that the French firms are undercutting prices of stainless sheet and strip steel goods as much as 38 percent, thereby undermining U.S. jobs and sales.

"French producers, facing a depressed home economy, have sought to maintain employment and maximize use of capacity by dumping in the U.S. market," the petition charged.

The Specialty Steel Industry and the union initiated similar action against West German producers last month. The union-industry group has also filed a countervailing-duty action against Spain on stainless bar and rod imports.

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5/22/82

Council Presses Jobs Program, Calls Reagan Policy Disastrous

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House Rejects Job-Creating Budget Plan

By David L. Perlman

The House rejected by a 268-152 vote a labor-supported budget resolution that would have funded an economic recovery program with revenues gained through tax reforms.

It then turned to what the AFL-CIO viewed as a "lesser-of-evils" choice. At one end was a second round of Reaganomics in a budget resolution supported by most House Republicans and some hard-core conservative Democrats. Its chief competitor was the Budget Committee version supported by the House Democratic leadership. This sought to mitigate some of the hardships of the Reagan Recession, but offered little stimulus for recovery and relied more heavily on spending cuts than tax reforms.

A THIRD "compromise" version and dozens of amendments to all three budget packages were also before the House when the AFL-CIO News went to press.

At the start of the weeklong budget debate, the AFL-CIO had urged House members to support the budget resolution sponsored by Rep. David R. Obey (D-Wis.) as "the best starting point for creating jobs and economic growth."

It would generate more than a million new jobs, AFL-CIO Legislative Director Ray Denison wrote, and recoup about half of the revenues lost in the tax cut bill passed last year. Revoking such giveaways as "safe harbor leasing" and new oil industry windfalls would enable "dramatic reductions" in the federal deficit in future years, Denison noted.

THE REPUBLICAN leadership's substitute, he warned, would continue Administration policies "which have worsened the hardship of the recession."

(Continued on Page 8)

DISCUSSION ON efforts to achieve a trade union consensus on endorsement of a 1984 presidential candidate is opened by AFL-CIO President Lane Kirkland at the federation's Executive Council meeting in Washington. He is flanked by Sec.-Treas. Thomas R. Donahue and Vice President Lloyd McBride.

'OSHA Watch' Launched

Conference Condemns Assault on Safety Laws

By John R. Oravec

Organized labor called for an immediate halt to the Reagan Administration's assault on job safety laws and backdoor attempts to gut worker protections.

That demand was brought to Washington by several hundred union safety representatives from across the country at the AFL-CIO national Occupational Safety & Health Conference. They underscored their concerns in meetings with congressional delegations, at political strategy sessions and at a street demonstration.

THE AFL-CIO launched a nationwide "OSHA Watch" campaign at the conference to keep close tabs on the federal job safety agency's performance on enforcement from the shop level on up. Since Reagan appointees took over the agency, there has been a sharp drop in inspections, citations for violations and penalties.

In keynoting the two-day meeting, Federation President Lane Kirkland pledged that labor will continue to battle the Administration's drive to enfeeble the Occupational Safety & Health and Mine Safety & Health Acts.

"OSHA and MSHA are workers' laws," he stressed. "They belong to us. Organized labor worked long and successfully to see them enacted."

Pointing to the annual workplace death toll of 114,000, Kirkland said, "We have seen enough funerals for workers killed on the job in accidents, or who died the tragic and slow death of exposure to chemicals and other toxic agents."

KIRKLAND PROTESTED the Administration's deregulation onslaught, charging that it comes from the cozy relationship with employers under the banner of "cost effectiveness," while side-stepping the intentions of Congress and the Supreme Court. The retreat on enforcement by the Occupational Safety & Health Administration gravely cheapens worker protections, he observed.

Corporations and the Administration

(Continued on Page 7)

Support for El Salvador Aid Tied to Land Reform Effort

By James M. Shevis

The AFL-CIO is "watching very carefully" the Salvadoran government's handling of the land redistribution program in El Salvador and has made it clear that "we are serious" about the terms of the federation's 1981 convention resolution conditioning support for aid to that country on completion of agrarian reform.

Federation President Lane Kirkland told a news conference at the Executive Council's spring meeting that the AFL-CIO has made strong representations to Congress and to the government of El Salvador opposing suspension of a decree designed to turn over land to the Salvadoran peasants who work it.

"Our contacts and our association are with the free trade union movement of El Salvador. We have given assistance in the development and growth of that movement, in the training of its people, and in technical assistance in the pursuit of the land reform program," Kirkland said. "We'll continue to do that."

Representatives of the Salvadoran trade union movement, the Popular Democratic Union (UPD), after meeting earlier with AFL-CIO leaders, held a Washington news conference to sound an alarm over the apparent delay in the land reform process.

THE UPD leaders, who also met with members of Congress and the State Dept., issued a statement warning that the May

(Continued on Page 2)

Tax Justice, Credit Curbs Top Agenda

By John M. Barry

The AFL-CIO Executive Council renewed its attack on the Reagan Administration's "supply-side" economic policies, branding them a "disaster for America and American workers" and calling on the President and Congress to develop a "realistic, workable" program to restore full employment.

"More Americans are suffering economic hardships than at any time since the Great Depression," the council declared at its spring meeting in Washington.

ITS STATEMENT on "The Reagan Recession" detailed the scope of the hardships—the highest unemployment rate in more than 40 years, total loss of income for millions of workers as their unemployment insurance benefits run out, home mortgage delinquencies and foreclosures at record highs, business bankruptcies at a post-depression peak, idle factories, declining profits and a continuing drop in business investments since early last year "despite the Reagan Administration's huge tax giveaways which were supposed to stimulate a job-creating investment boom."

AFL-CIO President Lane Kirkland, at a news conference between council sessions, stressed the federation's view that the recession is "the direct product" of the Reagan Administration's policies:

"THE COMBINATION of tight money, high interest rates and irresponsible tax program that in effect borrows money in order to cut taxes for the rich, coupled with the drastic attack on those social and economic programs which shelter those who are the weakest and the least privileged in our society . . . that's the essence of it."

On the current congressional debate over the federal budget and deficit, the council said "the political rhetoric . . . ignores the social and economic deficit resulting from too few jobs, too little housing, too few public services and public facilities and too little use of this nation's vast public and private resources to add to the nation's wealth and welfare."

To counteract the budget crisis, the council called on Congress to enact a tax program along the lines proposed by the AFL-CIO and embodied in legislation introduced by Rep. Thomas J. Downey (D-N.Y.). This would raise $150 billion in revenue over a three-year period and "move the nation's tax structure closer to

(Continued on Page 3)

Affiliates Asked To Defer Choice Of '84 Candidate

The AFL-CIO has asked its affiliates not to make "premature endorsements for the 1984 presidential election."

A unanimously adopted Executive Council resolution urged unions to withhold commitments to presidential candidates "pending the development of an AFL-CIO process whereby this question can be addressed by all affiliates in concert."

The goal, AFL-CIO President Lane Kirkland explained at a news conference, is to seek a consensus on labor's choice for the presidency before the selection of delegates for the presidential nominating conventions.

He said the council's Committee on Political Works will try to draw up a pro-

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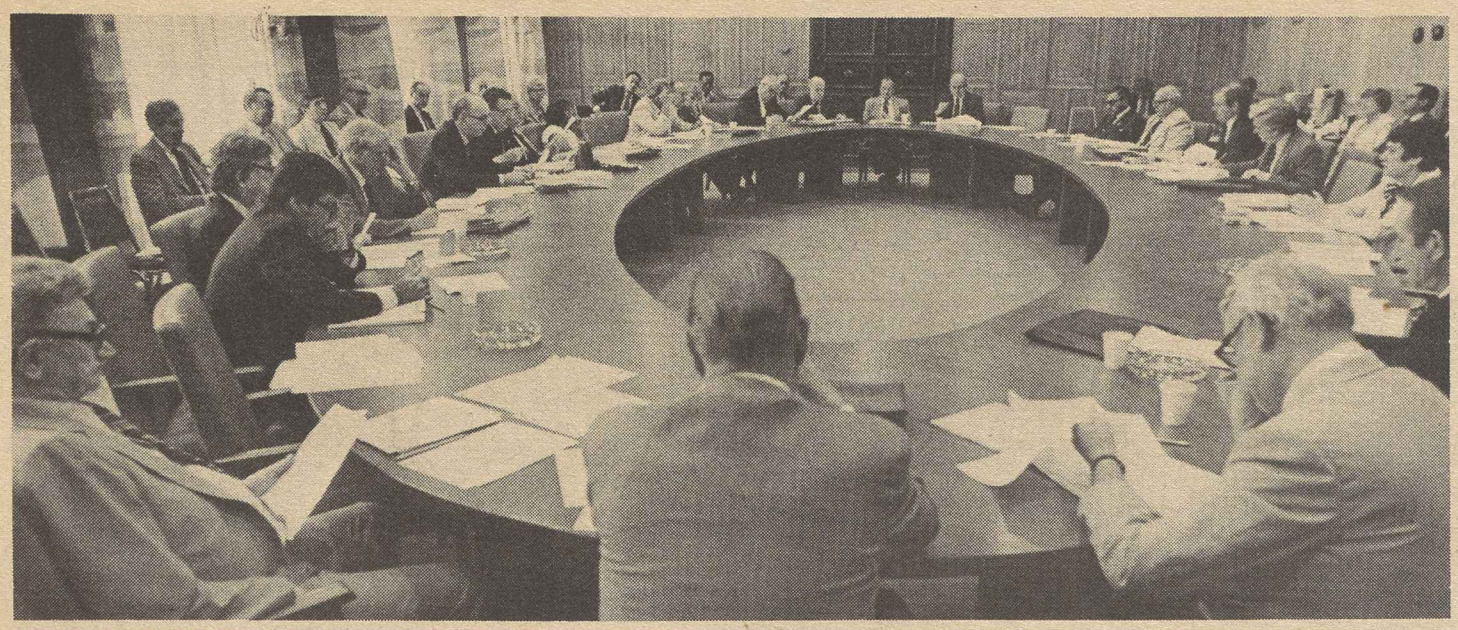

TWO-DAY MEETING of the AFL-CIO Executive Council, held at the federation's headquarters, dealt with the economic crisis arising out of the Reagan recession and spelled out labor's program to get the economy rolling.

Council Designates Shop Stewards Week

The AFL-CIO Executive Council designated the first week in September as National Shop Stewards Week, in recognition of "their commitment and contribution to achieving the goals of the labor movement and of their hard work and personal sacrifice."

A statement adopted at the council's May 26 meeting urged Congress and state and local governments to endorse the week of recognition.

Union stewards, the council said, are "the union member's first line of defense against arbitrary action by management," and play a vital role in achieving justice on the job.

Credit Act Powers Held Key To Lowering Interest Rates

The AFL-CIO urged Congress to renew the Credit Control Act and called on President Reagan to make immediate use of its powers to bring down interest rates and get the economy rolling again.

Unless Congress acts, the credit control authority will expire on June 30. "This valuable inflation-cutting tool should not be allowed to die," the Executive Council said.

The council statement blamed the high interest rate policies fostered by the Administration and the Federal Reserve for the spread of bankruptcies and unemployment.

"It has brought havoc to the housing, auto and farm sectors" of the economy, the council charged.

IT SAID THE Credit Control Act provides "an alternative to this ruinous monetary policy" if Reagan would make use of it.

But while the situation "cries out for the President to exercise his control authority," he shows no signs of doing so "despite his public statement that interest rates should be lowered to 10 percent," the council observed.

The expiring law allows the President to authorize the Federal Reserve Board to regulate credit expansion and to channel available credit away from speculation, corporate takeovers and other unproductive uses, the council noted. "Thus, more credit would be available at lower rates for constructive investments such as home building, farming and industrial production."

A BRIEF USE of credit controls in 1980 "was helpful in bringing down interest rates and getting the economy out of a recession," the council said. One result was to drop interest rates on new mortgages from a peak of 16 percent to 12.5 percent and to bring the prime lending rate charged by banks down from 19.5 percent to 11 percent.

The council urged passage of legislation to continue credit control authority which was introduced in the House by Banking Committee Chairman Fernand J. St Germain (D-R.I.) and in the Senate by Alan Cranston (D-Calif.), the minority whip.

Support for El Salvador Aid Tied to Land Reform Effort

(Continued from Page 1)

20 suspension of Decree 207 by El Salvador's Constituent Assembly virtually annuls the agrarian reform begun in 1980 and "gives rise to doubt and frustration, creating anew the conditions for a real civil war." The UPD is an alliance of moderate organizations including trade unions representing the majority of El Salvador's urban and rural workers.

William C. Doherty Jr., executive director of the federation's American Institute for Free Labor Development (AIFLD), said the U.S. labor movement has joined UPD over the past two years in backing American aid to El Salvador, "but with certain very clear restrictions as to how that aid would be used." These conditions have included protection of human rights in El Salvador, investigation of the 1981 murders of two AIFLD representatives and a Salvadoran union leader who headed the land reform project, and completion of the agrarian reform that would permit campesinos, or peasants, to buy the small plots of land they work as tenant farmers or sharecroppers.

SUSPENSION OF Decree 207, or the "land to the tiller" law, "would prevent thousands of workers from getting land and give owners a de jure blessing for the de facto clearing of peasants from the land" rightfully theirs, he said.

Since the law was enacted early in 1980, no peasant has received a clear title. Of the 150,000 potential beneficiaries, provisional titles have gone to some 29,000 peasants while 7,000 others have filed claims. Thousands of others have been intimidated from applying for titles under threats from right-wing "death squads," Doherty said.

The agrarian reform program was initiated in an effort to persuade the campesinos from supporting the leftist-led revolution that has torn the Central American country.

PRIOR TO the Mar. 28 Constituent Assembly elections, the Reagan Administration stressed that U.S. aid would depend in part on continuation of successful land reform.

Two congressional units, reflecting U.S. disillusionment with the Salvadoran government's handling of the land reform process, voted this week either to cut back or eliminate American aid to El Salvador next year.

First, the Senate Foreign Relations Committee pared the Administration's request for $166.3 million in fiscal 1983 aid to El Salvador by $100 million. The panel also stipulated an end to all aid if the land reform program is terminated.

LATER, the House Appropriations subcommittee on foreign operations rejected the Administration's entire 1982 foreign military aid supplemental package that included $35 million for El Salvador.

Francisco Zaldana, secretary-general of El Salvador's Federation of Unions of Construction, Transport & Allied Workers, said at the news conference that suspension of the reform program is "definitely against the interests of the campesinos; it means the total suspension of their rights."

Jorge Camacho, secretary-general of the Association of Integrated Cooperatives of Agrarian Production, charged that the real intention of the rightist-dominated assembly "is to do away with the reforms that have been started in our country." He said that the problem definitely has a "political face."

ANOTHER UPD leader, Sec. Samuel Maldonado of the Salvadoran Comunal Union, said that the Salvadoran agrarian reform program must go forward because it is the key to the solution of El Salvador's social, political, and economic problems. El Salvador, a country about the size of Massachusetts, is basically an agricultural nation, with 60 percent of its population peasants, he pointed out.

Jose Luis Grande, secretary-general of the Salvadoran Workers' Central, said the UPD has urged Salvadoran President Alvaro Magana to veto the legislative action of the Constituent Assembly if that meant depriving peasants of their right to gain title to land. Magana, a centrist, was elected by the assembly to succeed Jose Napoleon Duarte, who had headed a military-civilian junta for two years.

Affiliates Asked To Defer Choice Of '84 Candidate

(Continued from Page 1)

posal on procedures for arriving at a consensus. If this proves feasible, Kirkland indicated, the full Executive Council will consider the issue at its next scheduled meeting, in August.

Kirkland said he has urged exploration of a pre-convention endorsement that would enable AFL-CIO affiliates to unite their efforts in the presidential primaries. Past practice has been for the federation to withhold an endorsement until after the presidential nomination.

As a result, Kirkland said, "more often than not," affiliates have gone off "in several different directions" in presidential nominating contests. They thus "nullify each other's efforts" and lessen the effectiveness of America's workers "in that vital part of the whole political process."

Kirkland said the council members participating in the discussion all indicated a willingness to hold off on any presidential endorsement to allow efforts to develop a consensus.

The request to all affiliates to do likewise was a unanimous action, he reported.

Bid to Scuttle Rail Pension System Hit

The AFL-CIO Executive Council registered strong opposition to the Administration's plan to destroy the 45-year-old Railroad Retirement System that railroad workers have worked and paid for, warning of possible labor-management disruptions and enormous losses.

"In creating the system, the federal government entered into a social contract with railroad workers to enhance the stability of a workforce vital to the nation's commerce," the council said.

"Now the Reagan Administration proposes to break that contract through legislative budget proposals."

RAILROAD RETIREES are protected by a uniform national system of Tier I benefits instead of social security and Tier II benefits comparable to a supplementary private pension plan. Reagan proposes to eliminate both programs and put railroad retirees under social security and a negotiated private multi-employer pension system. The President also proposes to fragment rail unemployment benefits among the 50 states.

The system, which serves almost a million railroad retirees and covers 500,000 current employees, is paid for by employer payroll withholding taxes. The only use of general revenues is for the dual benefit, which is phasing out through attrition of recipients.

THE COUNCIL said that if railroad workers are put under social security they will lose their right to retire without penalty before age 65. The effect of throwing Tier II recipients into a private pension system, details of which have not been provided by the Administration, could lead to financial losses disruptions.

"The uniformity and predictability of the current system which has provided industry stability would be destroyed," the council said.

Balanced Budget Proposal Opposed As Unworkable

A proposed constitutional amendment to compel a balanced budget is wrong in principle and would be unworkable in practice, the AFL-CIO Executive Council warned.

It urged Congress to reject the attempt by "right-wing political forces" to write their economic theories into the nation's constitution. And it called on Americans from all walks of life to join with the trade union movement "in the fight to defeat this unsound proposal."

THE BALANCED budget amendment that has been approved by the Senate Judiciary Committee and endorsed by President Reagan would compel Congress to adopt a balanced budget each year unless three-fifths of the House and Senate voted an exception.

That would "erode the power of our elected representatives to act," the council protested. It would block Congress from adjusting tax and spending levels to meet national needs, it said, and recessions would be transformed into major depressions.

"Taxes cannot be raised high enough or spending reduced low enough" when the economy is in a downturn, the resolution warned. "A balanced budget in today's climate would be an invitation to a new Great Depression."

THE COUNCIL statement stressed that "the only way to reach a balanced budget is to return the nation to full employment and economic growth, while restoring fairness to the tax system and protecting the helpless."

It urged Congress to "reject the diversionary tactic of amending the Constitution and accept its responsibility for generating economic health through well-tested, equitable fiscal and monetary policies."

Council Presses Action to Create Jobs

(Continued from Page 1)

fairness and tax justice," the statement said.

"FAIRNESS AND compassion are not in conflict with efficiency and economic progress," the council declared. "We insist that economic progress and social justice go together."

In other actions relating to the state of the economy and specific proposals of the Administration, the council:

- Called for renewal of the Credit Control Act, which otherwise is scheduled to expire June 30, and for President Reagan to exercise his authority under the act to curb high interest rates.
- Expressed firm opposition to a constitutional amendment that would force a balanced budget, a proposal that President Reagan has embraced.
- Strongly opposed the Administration's plan to destroy the Railroad Retirement System.
- Denounced a section of the Administration's maritime program that would give U.S. ship operators permanent authority to build and repair their ships abroad and still be eligible for federal subsidies, a measure that the council said would force the closing of U.S. shipyards at a cost of 170,000 jobs.
- Condemned the Labor Dept.'s final regulations on the Davis-Bacon Act, which were due to be published in the Federal Register on the day after the council meeting. The council said organized labor's "worst fears have been exceeded" by the new rules, which would emasculate the prevailing wage concept on federally financed construction, redefine the "helper" classification to the detriment of workers affected by it, and eliminate the requirement for weekly payroll reports.

On the political front, the council urged federation affiliates to refrain from endorsing presidential candidates for the 1984 election pending development of a new endorsement process by the AFL-CIO.

OTHER COUNCIL statements endorsed a consumer boycott of the Furniture Workers against the products of the Indiana Desk Co. in Jasper, Ind., designated the first week in September as National Shop Stewards Week, endorsed the establishment of an American Labor Museum at the Botto House in Haledon, N.J., and urged full support of striking members of the Oil, Chemical & Atomic Workers at Texaco's refinery in Port Arthur, Tex.

The statement on the Reagan recession called for congressional enactment of specific measures to counter the recession, stimulate the economy and create jobs:

- A five-year program of grants to states and communities for public service jobs, as set forth in a bill sponsored by Rep. Augustus F. Hawkins (D-Calif.).
- A comprehensive jobs and training program "consistent with the mandate of the Humphrey-Hawkins Full Employment & Balanced Growth Act."
- Legislation already passed by the House under the sponsorship of Rep. Fernand St Germain (D-R.I.) to provide mortgage interest assistance for moderate-income home-buyers, and a bill introduced by Rep. Henry B. Gonzalez (D-Tex.) that includes rental assistance, public housing and mortgage relief payments for jobless homeowners.
- Creation of a new Reconstruction Finance Corp. to rebuild the nation's industrial base with a specific endorsement of legislation introduced by Rep. Frank J. Guarini (D-N.J.) to accomplish that purpose.
- Direct attention by Congress to the problems of unemployment and deteriorating neighborhoods in the major cities and rejection of the Administration's "enterprise zone" scheme that would only "reshuffle jobs and undercut government safeguards and public investment."
- Enactment of domestic content requirements in bills by Rep. Richard L. Ottinger (D-N.Y.) and Sen. Wendell Ford (D-Ky.) to restore jobs in the auto and auto-related industries.
- Extension of the current 39-week maximum for unemployment insurance benefits to 65 weeks for jobless workers who have exhausted their regular and extended benefits, along with restoration of the national trigger for extended benefits, maintenance or reduction of state trigger points, and the inclusion of extended benefit recipients in the calculation of the triggers.

KIRKLAND EXPANDED on the council's actions at his news conferences and responded to questions on other topics with these comments:

—The situation in Poland should not stand in the way of proposed summit talks between President Reagan and Soviet leaders, but in fact should be one of the matters under discussion. "I don't think the refusal to talk is a particularly significant sanction or form of inducement. We have urged that sanctions be imposed in the form of calling the Polish debt into default, the end of further credits, and trade restrictions on the Soviet Union. If we're going to sell them the rope with which they're going to hang us, we ought to at least make them pay cash for it and not give them credit."

—Not only is President Reagan failing to live up to his commitment to proceed with stronger sanctions against Poland and the Soviet Union if the crackdown against Polish workers and other citizens is not eased, "but he is in the process of abandoning sanctions that were previously imposed, limited though they were," by permitting resumption of negotiations for future grain sales to the USSR.

—The allegations of wrong-doing against Labor Sec. Raymond J. Donovan are "matters of deep concern" but still must be proven. The AFL-CIO's differences with the Labor Dept. are over the role it has been given by the "landlord"—the Reagan Administration—"to undermine, weaken, and gut programs with which we are vitally concerned and which are of vital interest to working people and to their welfare."

AT NEWS CONFERENCE following the opening session of the AFL-CIO Executive Council, President Lane Kirkland answers questions from reporters.

—The state of the federation's relations with the Reagan Administration flows from "deep, principled disagreement" over policies and programs and has nothing to do with personalities. "We don't believe that the policies that this Administration has advanced—in the form of irresponsible tax giveaways, stripping the public purse of the resources needed to fulfill the responsibilities of a modern industrial society, and demolishing programs and protections that have been developed with our strong support over the last 50 years or so—are in the best interests of the public and of the welfare of the country."

—Based on historical precedent, a "modest gain" can be expected in the 1982 congressional elections from labor's point of view, but "the great imponderable is the enormous amounts of money that the right-wing and the conservative groups have available to dump into the elections." The growing importance of television exposure to candidates has made money more important in modern elections than ever before.

—He has discussed the creation of a labor liaison committee within the Republican Party with GOP Chairman Richard Richards and is scheduled to meet with Richards soon to pursue the matter. He has offered to be as helpful as he can and has encouraged the party "to begin to express some concern for the vital role of working people in American life, including American political life."

KIRKLAND ALSO gave the council a brief review of this year's regional conferences and a detailed report of the recent meeting in Brussels of the International Confederation of Free Trade Unions executive board.

Sec.-Treas. Thomas R. Donahue reported for the Finance Committee, the Committee on State & Local Central Bodies and the Committee on Review of Article XX, the internal disputes plan.

Other committee reports were presented by Vice Presidents William Konyha, Housing: Frederick O'Neal, Civil Rights; J. C. Turner, relations with the United Way; John Sweeney, the Equal Rights Amendment; William H. Wynn, Restrictive Legislation; John H. Lyons and Vincent R. Sombrotto, Defense.

SUMMARIES of departmental activities were given by Legislative Director Ray Denison, Organization & Field Services Director Alan Kistler, COPE Director John Perkins, Community Services Director Walter Davis, and Information Director Murray Seeger.

The council approved contributions of financial aid to the following: the City of Berlin for the reconstruction of Congress Hall, Great American Flag Labor Committee, Citizens Committee for Immigration Reform, Citizen/Labor Energy Coalition, Consumer Energy Council, Economic Education for the Clergy, Inc., Afro-Asian Institute of Histadrut, Save Our Security Coalition, the Joseph D. Keenan Biography Committee, and the Industry Labor Council.

The fiscal 1983 budget for the George Meany Center for Labor Studies was set at $2,861,583, with net operating expenses projected to be $1,695,583.

FUNDS ALSO were approved for the George Meany Center for Labor Studies, the Asian-American Free Labor Institute, special assistance projects of the American Institute for Free Labor Development, and the Research & Documentation Center of the federation's Paris office.

The next council meeting will be held in New York, Aug. 3-5.

Senate Urged to Ratify Arms Limitation Treaty

The Strategic Arms Limitation Treaty —SALT II—"offers the most fruitful beginning" toward arms control and reduction and should be ratified immediately, the Executive Council declared.

With certain modifications, the proposed treaty offers a number of advantages over other current proposals for nuclear arms reductions, the council said in a statement, which was accompanied by a background paper prepared by the council's Committee on Defense.

RATIFICATION of SALT II, the council said, would:

- Offer reassurance to millions of Americans and America's allies that the United States is seriously committed to arms reduction.
- Present an immediate and realistic opportunity "to move quickly toward the control and reduction of strategic arms."
- Allow the United States to decide domestically whether to proceed with planned weapons systems as an inducement to the Soviets to negotiate seriously.

Reaffirming its 1979 position on strategic arms control, the council noted that SALT II has already been accepted by the Soviet Union and is still before the Senate where it has bipartisan support.

WHILE ADVOCATES of a nuclear freeze have made an important contribution in turning public attention to the danger of nuclear war, the council said the AFL-CIO position takes a significant step beyond proposals for an immediate freeze. Such proposals are necessarily tied to the complex and technical issue of parity and would perpetuate the existing theater nuclear force imbalance in Europe, the council warned.

Senate approval of SALT II should stipulate that SALT III, or START (Strategic Arms Reduction Talks), limit warheads, which SALT II permits to increase dramatically in numbers and accuracy. The council said U.S. negotiators also should be directed to set a time limit in SALT III by which agreement must be reached on strategic force reductions.

Noting the mounting concern of Americans that the unchecked growth of nuclear arsenals poses a threat to civilization, the council said the AFL-CIO joins with those who seek an end to the nuclear arms race through serious negotiations leading to mutual, balanced, and verifiable strategic force reductions which both parties have a compelling interest in observing.

"UNFORTUNATELY, public protests against nuclear weapons—especially when they pressure only the West—will not by themselves lead to our goal of drastically reducing the number of such weapons nor will they bring about a deterrence to their use of such weapons," the council said.

The council statement on strategic arms control was adopted by a vote of 17 to 4.

AFL-CIO President Lane Kirkland, responding to questions at a news conference following the council sessions, said the four dissenters—Vice Presidents Gerald W. McEntee, William H. Wynn, Murray Finley and William W. Winpisinger—would have placed "priority and primary emphasis on support for the so-called nuclear freeze resolution" and were not opposed to SALT II as such.

KIRKLAND SAID his own view was that ratification of SALT II would be a legislative act with legislative force and effect, whereas a Senate non-binding resolution would be "an expression of a point of view—a hope."

"It's our view, and the view expressed in this resolution," he said, "that the most expeditious way to get to the ultimate goal of significant reductions—a turndown in the level of forces—is to proceed promptly to SALT III with a stipulation to the negotiators that they had better bring back an instrument that significantly reduces nuclear arms, most particularly the thing that arrives on target—the warheads."

The council said it was under "no delusion" that the USSR can be trusted to live up to any agreement—unless it is clearly in its interest to do so.

"It will agree to real arms reductions if it sees the alternative as an American buildup," the council added. "We must not unilaterally remove that alternative."

The Reagan Recession

MORE AMERICANS are suffering economic hardships than at any time since the Great Depression. The misdirected policies of the Republican Reagan Administration have produced this catastrophe. It is time to turn the economy around, to reverse the Reagan Recession and to put people back to work.

Ten million American workers are officially unemployed—an increase of 2.5 million jobless workers since last July. The unemployment rate of 9.4 percent is the highest in more than 40 years.

In addition to the officially recorded jobless workers, many more millions of workers and their families are losing work-time and income while threatened with imminent layoff as big, medium, and small-sized business firms retrench or go broke.

Over the 12 months of 1982, more than one-fourth of the workforce—close to 30 million workers—will suffer some unemployment, and nearly half of all workers will feel the direct impact of the recession through job loss or cuts in hours and earnings.

MORE THAN two million jobless workers have seen their unemployment compensation benefits run out during the past 10 months. Cutbacks in extended unemployment insurance benefits demanded by the Reagan Administration and enacted by the Congress have deprived millions of unemployed workers of desperately needed unemployment compensation benefits. Another 600,000 jobless workers receiving extended benefits will soon be faced with a total loss of income.

Home mortgage delinquencies and foreclosures are at record highs. Business bankruptcies are at the highest levels since the Great Depression. Corporate profits are dropping. Manufacturing is operating at only 71 percent of capacity. Business investment has been going down since early 1981—despite the Administration's huge tax giveaways to business which were supposed to stimulate a job-creating investment boom. "Supply-side" economics has been a disaster for America and American workers.

President Reagan . . . stubbornly clings to the same job-destroying, trickle-down economic policies that produced the current economic crisis—high interest rates, shattered social programs and tax giveaways to the wealthy.

The economic and social waste of recession and high unemployment are forgotten in the political maneuvering on federal budget and tax policy. The political rhetoric surrounding the federal deficit debate ignores the social and economic deficit resulting from too few jobs, too little housing, too few public services and public facilities and too little use of this nation's vast public and private resources to add to the nation's wealth and welfare.

TOO MANY elected officials now are rejecting the unique role that only the federal government can play in stimulating the economy, creating jobs, and meeting human needs.

The AFL-CIO calls upon the President and the Congress to develop with all possible speed a realistic, workable economic program to bring America back to full employment, to balanced economic growth and to fairness in taxation with compassion for those who have least.

Fairness and compassion are not in conflict with efficiency and economic progress. We insist that economic progress and social justice go together.

—From AFL-CIO Executive Council statement on the Reagan Recession, May 26, 1982, Washington, D.C.

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LANE KIRKLAND, *President*
THOMAS R. DONAHUE, *Secretary-Treasurer*

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'Not to Worry!'

Issue for Summit

U.S. Economic Policies Test Patience of European Nations

By Gus Tyler

THE ECONOMIC SUMMIT meeting at Versailles in June will not be an easy moment for President Reagan. He will find himself under fire—no matter how courtly the tone of the gathering.

The object of the conference is to air the economic issues that cross national lines. As of the moment, the big one is unemployment, running at about 8 to 9 percent in Western Europe.

The European countries charge that the United States is responsible for this rising unemployment. They attribute their difficulties to the high interest rates in America.

THE EUROPEANS claim that high interest rates in America have drawn off much needed capital to the United States. Why should a German, French, or British investor collect only 9 or 10 percent interest on his money in his own country, if he can get 14 or 16 or more percent in the United States?

To compete, European countries have to raise their interest rates. But the result here is the same as in the United States. The high rates make it difficult for both consumers and producers to borrow, thereby choking the economy.

That's the European charge against current American policies. Reagan will have difficulty making a suitable reply because of developments since the last economic summit meeting in Ottawa.

At that time, Reagan made a plea for patience. Yes, he agreed, interest rates were too high. Yes, he agreed, the high rates hurt us and hurt our friends. But, given time, all would be well.

REAGAN COUNTED on a balanced budget to set things straight. According to Reaganomics, this is the way it works:

Unemployment is caused by inflation since things are too expensive for people to make purchases. Inflation, in turn, is caused by federal deficits, since they bloat the money supply. Ergo, the balanced budget solves the problem of inflation and unemployment. And, as a bonus, since a balanced budget makes it unnecessary for the government to go into the money market to borrow, there is that much less pressure on interest rates to raise.

That's the Reagan reasoning. Whether it is right or wrong is a matter of deep debate. But at the summit meeting Reagan will have to admit that the United States is not balancing its budget, that the budget is far more unbalanced than it was last year, and that it threatens to be worse next year.

He can, of course, blame it on Congress for not going along with the budget cuts. But that will not be convincing to the heads of other states who know perfectly well that if all of Reagan's cuts were enacted the budget would still show the greatest deficit in America's history.

THEY WILL BE unconvinced too because they know that the high interest rates came before—not after—the $100 billion deficit. They also remember that the U.S. spokesmen in the past said that high interest rates were necessary in order to "cool the economy" as a way to check inflation.

No doubt, the President will repeat his plea for patience with our allies as he has with the American people. But how long will our allies or the American voters be patient?

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Budget Amendment Abuses Constitution

Right-wing political forces are attempting to write economic theory into the Constitution.

To amend the Constitution to force a balancing of the federal budget would undermine the essential separation of power principles on which American government rests and erode the power of our elected representatives to act.

To transfer budget-balancing authority to the Constitution would make no workable allowance for economic recession, inflation, or for problems affecting the nation's security.

The only way to reach a balanced budget is to return the nation to full employment and economic growth, while restoring fairness to the tax system and protecting the helpless.

—From AFL-CIO Executive Council statement, May 26, 1982.

Against Reagan Assault

Kirkland Pledges All-Out Battle To Preserve Job Safety Laws

The following is excerpted from remarks by AFL-CIO President Lane Kirkland to the national Conference on Occupational Safety & Health, Washington, D.C., May 24, 1982.

THE REAGAN Administration has made clear its determination to enfeeble the Occupational Safety & Health Act and the Mine Safety & Health Act. We are here to make equally clear our determination to resist.

OSHA and MSHA are the workers' laws. They belong to us. Organized labor fought long and successfully to see them enacted. We have seen enough of funerals of workers killed on the job in accidents, or who died the tragic and slow death of exposure to chemicals and other toxic agents.

WE WERE SICK of toothless state programs that accomplished nothing while 114,000 workers were being killed every year from occupational accidents and illnesses.

Imagine—every decade more than one million needless deaths. It is as though, every decade, the people of Buffalo or Indianapolis were wiped off the map.

Yet, to carry out the purposes of OSHA, the federal government grudgingly doles out the equivalent of about $3 for each worker. Is it worth no more than $3 to save a worker's life or health?

A term in the jargon of regulatory economics is "cost-effectiveness." It means that a regulatory agency like OSHA or MSHA should analyze alternative methods of complying with a health or safety rule. A responsible policy would require the choice of whichever method most effectively reduces the hazard to safe levels.

CORPORATIONS and the Administration, however, would require the choice of whichever method is least costly to management. This means that, instead of reducing noise through engineering controls, employers force workers to wear earplugs. Instead of removing unsafe concentrations of dust or chemicals, employers encase the workers in respirators. The worker is engineered, not the workplace.

OSHA has taken administrative steps to do just that. The Administration has rolled back advances made when Ray Marshall and Eula Bingham were in charge.

A new compliance directive makes it harder for workers to file complaints with OSHA over hazardous job conditions. OSHA warns an employer, by letter, when a worker files a complaint—which is close to violating the Act's prohibition against giving advance notice of inspections.

Assistant Labor Sec. Thorne Auchter's scheme for targeting general schedule safety inspections would exempt 73 percent of manufacturing firms from such inspections—thus depriving nearly 13 million workers of the protection of the law.

The Assistant Secretary heaps self-praise on his cost-effective administration of OSHA and on the efficient deployment of his small compliance staff.

He neglects to mention that under his targeting system inspectors first visit the workplace to check its records. If the records show no evidence of hazard, the inspector simply departs—without inspecting the plant. Yet the Assistant Secretary insists that these are real inspections.

LIKE THE ECONOMIC indicators, the OSHA indicators all point down. Inspections, complaints, follow-ups—down. Citations and penalties—down. Field personnel—down by 272. OSHA field offices—one-third closed down.

Nor has OSHA escaped the "New Federalism" virus that eats away at the foundations of national government. Greater reliance on state OSHA programs is the order of the day—as if the passage of OSHA had not been occasioned by the states' inability or unwillingness to protect worker health and safety.

Let the Administration understand—and let the politicians who seek our support in this election year understand—that our commitment to the survival and improvement of OSHA is tenacious.

We will defend the health and safety of workers anywhere—the courts, the legislatures, the bargaining table, the streets, if necessary, and wherever public opinion is shaped.

THE RIGHT to a safe and healthful workplace is as basic as the right to freedom of speech, religion, or a fair and speedy trial. None of those rights should be subordinated to the supposed right to make profits.

We face a hard fight. The Administration's assault on OSHA is only part of a larger assault on the philosophy and programs that we helped to shape over the last half century.

Reagan Refuses to Move

Excessive Interest Rates Tied To Inaction on Credit Controls

PRESIDENT REAGAN'S refusal to have more credit channeled into productive investment areas is a big factor in continuing the high interest rates that have a stranglehold on homebuilding, auto production and other economy-stimulating expenditures, AFL-CIO Economist Henry Schechter declared on Labor News Conference.

Pointing out that the Credit Control Act of 1969 empowered the President to "authorize the Federal Reserve Board to regulate credit, in practically any manner, when necessary to fight inflation," Schechter said the President also shows poor economic judgment in his failure to ask Congress to extend the law beyond its scheduled June 30 expiration.

Schechter said the law is essential as a standby weapon that can be used if the recession sinks still deeper, as many economists believe it will.

"Precluding or tightening terms for unproductive uses," such as corporate takeovers and highly speculative ventures, "would leave more available for productive uses and get interest rates for things like home loans down," Schechter asserted. He is director of the AFL-CIO Office of Housing & Monetary Policy.

Also appearing on the network radio interview was Arthur Weimer, economic consultant to the U.S. League of Savings Associations, who agreed that the credit control statute should be continued.

"Just the fact that it's there can be helpful," Weimer stressed.

Weimer said the Administration's objection to the credit control law is more philosophic than practical. The Federal Reserve, he noted, actually imposes a number of "indirect controls" with Administration approval by setting rates, reserve requirements and handling of federal funds.

The money and credit markets "are far from running free," he observed.

NOTING THAT BILLS to extend the Credit Control Act are now before both houses of Congress, Schechter and Weimer said support for the measures is growing in the wake of the mounting outcry "from the people back home who don't want to continue (the Administration's) very painful way of fighting inflation" with tight money, high interest rates and depression-level unemployment.

They said that if the Administration continues to drag its feet, "the leadership to keep the Credit Control Act alive may well emerge in Congress."

Reporters questioning Weimer and Schechter on the AFL-CIO's public affairs production were Alan E. Adams of Employment Relations Report and Robert Cooney of Press Associates, Inc. The program is aired weekly over the Mutual radio network.

By Press Associates, Inc.

TODAY'S YOUNG families, the elderly and the needy must regard home ownership and decent housing as dreams deferred.

The nation's housing industry is in the throes of a deep depression—the most serious since World War II.

Slumping under the weight of high interest rates for the past three years, the industry has been devastated by the Reagan recession.

For nine months in a row now, housing starts have fallen under an annual rate of one million units a year. Some 2.5 million units are needed yearly for new families and to replace obsolete housing.

NEARLY 6 MILLION Americans are living in what the government defines as substandard housing. Nearly a million construction workers are unemployed and there are an equal number of jobless in industries dependent on home construction. Home builders have been going bankrupt in record numbers.

In these circumstances, people's eyes naturally turn toward Washington for some national leadership. Some hoped the President's Commission on Housing, a 30-member advisory panel appointed by President Reagan last June, would provide some direction.

They were sadly disappointed. The commission's report proposed less—not more—government help to the ailing industry. Private enterprise, said the commission, could pick up the slack left by a reduced federal role.

The National Association of Home Builders, normally conservative and Republican, said the commission's report had "ignored today's economic crisis" and had proposed "eliminating all housing production-oriented programs" in favor of "the trickle-down theory."

"THIS PARTISAN commission," said the home builders' association, "recommends a radical departure from this nation's traditional housing policies. It favors policies and a credit market that would destroy the unique relationship between the private building industry, specialized financial institutions and government that has made it possible to provide housing unmatched in quality and numbers for the American people in the last 35 years."

Specifically, the President's housing commission proposed to phase out the GNMA mortgage-backed security program, which is an important component to FHA insurance and VA guaranteed programs.

As the home builders' association noted: "It proposes phasing down the government's role in assuring middle-income Americans access to affordable mortgage credit, and instead places its full faith in the now evolving financial system, where home buyers are forced to compete for their mortgage credit against corporate giants and the federal government."

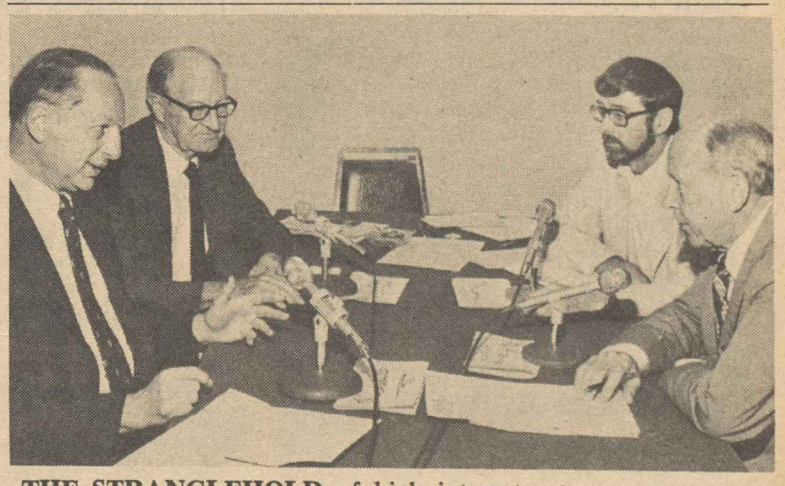
THE COMMISSION proposes to end new construction under Section 8 of the Housing Act for low-rent public housing—nearly half of which serves low-income elderly people.

The commission also proposes to undermine state or local rent controls by forbidding such controls on housing insured or partly financed by the federal government.

What the commission ignored was that new housing is particularly needed during the current economic downturn. The private market does not produce enough for special groups such as large families, the elderly and the poor even in the best of times.

Fortunately, Congress appears to be rejecting the laissez-faire philosophy of the President's housing commission.

The House, despite strong Administration opposition, recently approved by an overwhelming margin a $1 billion mortgage subsidy program for moderate-income homebuyers. It was a small step in the right direction.



THE STRANGLEHOLD of high interest rates on economy-stimulating investments could be eased if President Reagan would use the credit control authority Congress gave him, AFL-CIO Economist Henry Schechter, left, and Arthur Weimer, economic consultant to the U.S. League of Savings Associations, said on Labor News Conference. They were questioned by Alan Adams, right, of Employment Relations Report and Robert Cooney of Press Associates, Inc. The AFL-CIO produced public affairs program is aired weekly on Mutual radio.

Court Upholds Ban on Non-Union Subcontracts

The Supreme Court has unanimously upheld the legality of construction industry collective bargaining agreements that forbid subcontracting of work to non-union firms.

That was the position argued by the AFL-CIO and building trades unions in a joint brief to the Supreme Court. It was also the conclusion that had been reached by the National Labor Relations Board and the 9th Circuit U.S. Court of Appeals in the two cases that were decided.

THE AFL-CIO Building & Construction Trades Dept. expressed "great satisfaction" with the 9-0 decision. "Our position has been fully vindicated," President Robert A. Georgine said.

Justice Thurgood Marshall, who wrote the decision, noted that the language and the legislative history of the 1959 Landrum-Griffin Act left no doubt as to the intent of Congress.

That law imposed new restrictions intended to protect "neutral" third-party employers from being disadvantaged by secondary boycotts and by "hot cargo" prohibitions.

But, Marshall stressed, the law clearly stated that the new restrictions would not apply "to an agreement between a labor organization and an employer in the construction industry relating to the contracting or subcontracting of work to be done at the site of the construction. . . ."

HE ALSO quoted, as had the union brief, the explanation of the bill given by then-Sen. John F. Kennedy, who was chairman of the Senate conferees in the negotiations with the House that shaped the final terms of the legislation.

Kennedy explained that the Senate conferees had successfully insisted that the new restrictions should not affect the pattern of collective bargaining on construction sites or in the clothing industry. Subcontracting agreements in construction that had been legal would continue to be legal, the future president said.

Construction employer associations challenging the right of unions to seek protections against subcontracting to non-union firms based their argument in part on a 1975 Supreme Court decision, known as the Connell case, which went against the union involved on antitrust grounds.

JUSTICE MARSHALL held, however, that the 1975 case was not comparable, since it involved an attempt to restrict the subcontracting actions of a general contractor who did not have a bargaining relationship with the union and whose employees were not represented by a union.

That precedent was not applicable, the court said, because the cases before the court involved subcontracting clauses "sought or negotiated in the context of collective bargaining relationships."

The Supreme Court did not deal with an employer claim that even if a subcontracting clause were lawful, a union couldn't strike or picket to get a construction industry employer to agree to such a clause.

THE 9TH CIRCUIT appellate court had rejected that argument, holding that unions were free to do so. Similar conclusions had been reached over the years by other appellate courts in cases that did not reach the Supreme Court.

In this case, the Supreme Court noted that the employer had not raised the argument before the NLRB and therefore could not do so at the appellate level. Thus, both the appellate court and the Supreme Court were without jurisdiction to decide the issue.

On two other cases of interest to labor, the Supreme Court refused to review decisions by appellate courts and thus made them final. Left intact were:

- A decision by the 6th Circuit Court of Appeals that the E. W. Scripps Co., which published the Cincinnati Post, was bound by an agreement to provide employment for the remainder of their working lives to some 100 printers whose jobs were affected by a new printing process. The company sought to abrogate its agreement with the Typographical Union after it closed down its separate printing operations to go into joint production with a rival newspaper. The appellate court held that the employment guarantee was not nullified by the expiration of the collective bargaining contract under which it was negotiated.

- A decision by the 5th Circuit Court of Appeals upholding an NLRB policy involving the right of reinstatement in so-called "mixed-motive" discharge cases. The NLRB had found that the dismissal of a clerical employee of a Dallas trucking firm on work-related grounds was motivated at least in part by retaliation against the employee for engaging in actions protected by federal labor law, including initiating a protest against the company's vacation policy.

The appellate court rejected the employer's challenge to an established NLRB policy that once there is "prima-facie" evidence that an employee's protected activity was a motivating factor in the discharge, the burden is on the employer to prove that the same punishment would have been levied if the worker had not engaged in such activity.

PICKET LINE at the Triangle Plastic & Wire Co. at Jewett City, Conn., is joined by AFL-CIO President Lane Kirkland, Connecticut AFL-CIO President John Driscoll and a busload of delegates from the federation's regional conference in Hartford. They made the 55-mile trip to back up 243 members of the International Brotherhood of Electrical Workers who had been locked out for three weeks. The union and company reached a settlement that same evening.

Picket Line Rally Helps Turn Lockout into IBEW Victory

Jewett City, Conn.—With a little help from some friends, including AFL-CIO President Lane Kirkland, Local 255 of the International Brotherhood of Electrical Workers turned a lockout into a fair settlement.

Negotiations were under way between the union and Triangle Plastic & Wire Co. on May 21 when Kirkland and a busload of delegates left the AFL-CIO's regional conference in Hartford, 55 miles away, to shoulder picket signs with the IBEW members who had been locked out since May 3 after turning down a take-it-or-leave-it offer from the manufacturer of specialty cable and wire products.

WITH THREATS that it would shut down and move if it did not get its way, Triangle offered a flat 25-cents-an-hour increase for one year with no benefit improvements, then closed the doors on its 243 union workers when they said no thanks but offered to keep working under the old contract.

The AFL-CIO's participation on the picket line was widely covered by television and newspaper reporters. That evening, the union and the company reached a settlement.

Local 255 members now have a contract that calls for hourly wage improvements of 40.8 cents an hour now, 40 cents in the second year and 45 cents in the third year. The current average hourly rate is $8.62.

Major medical coverage for workers and their families was increased from $80,000 to $1 million and for retirees from $20,000 to $80,000. X-ray and lab test coverage was substantially improved.

Frank Capacchione, the local's business manager, stressed that the union's major interest was in improved pension benefits, and the contract now calls for an increase in the monthly benefit of $1 for each year of service in the first year, $2 in the second year and $3 in the third year of the pact.

HOURLY PREMIUMS of 3 cents and 5 cents were won for the second and third shifts; the safety shoe allowance was raised, and workers in the departments where the dirtiest work is done will now get $50 a year toward work clothes.

The company quickly began to change its hard line, Capacchione pointed out, when the state of Connecticut upheld the workers' claims to unemployment compensation beginning from the date of the lockout to May 24, the day they returned to work.

Regional Conferences Focus On Political Change in '82

Hartford, Conn.—"We want to change the course of our government and that means changing the people who run it," AFL-CIO President Lane Kirkland said in a windup to the federation's 1982 series of regional conferences.

The May 20-22 meeting here, the last of seven, concentrated on political action aimed at electing labor-supported candidates in the November state and congressional elections.

ELECTION DAY will be "Solidarity Day II," Sec.-Treas. Thomas R. Donahue told the participants.

Kirkland emphasized that the labor movement must work toward the election of a Congress that will change the Reagan Administration's course "from the road to ruin and restore hope to the millions of Americans who are badly hurt and sorely afraid."

The federation officers spoke at a rally that was the final session of the three-day conference. All seven meetings ended on a similar note, following two days of workshops keyed to the nuts and bolts of political action.

The sessions included discussion of the major economic and social campaign issues, grass roots lobbying techniques, communications and technical workshops on COPE activities including endorsements, campaign activities and voter registration and turn-out drives. The election prospects in each state within the region were reviewed with emphasis on marginal districts.

Earlier conferences were held in March, April and May in Dearborn, Mich.; Louisville, Ky.; Phoenix; Seattle; Birmingham, Ala., and Houston.

ABOUT 600 representatives of labor organizations in Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island and Vermont attended the conference in Hartford.

Over the course of the regional meetings more than 3,000 people took part, including officers of AFL-CIO state and local labor councils and major locals along with many shop stewards and international representatives of affiliated unions.

Kirkland led a busload of delegates from the Hartford conference to Jewett City, about 55 miles away, to join the picket line of International Brotherhood of Electrical Workers Local 255 at Triangle Plastic & Wire Co. The 243 employees had been locked out by the company for three weeks after refusing a take-it-or-leave-it offer. The union and the company were able to reach a settlement later that evening.

It was the third time Kirkland had gone from a regional conference to support striking union members. In Louisville he walked with members of the Cement, Lime & Gypsum Workers striking Kosmos Cement Co., the target of an AFL-CIO-endorsed boycott. Kirkland also picketed with striking Laborers at the Carter-Glogau Laboratories in Phoenix.

EACH CONFERENCE included workshops on cooperation with allied groups on voter registration and participation. The groups include the A. Philip Randolph Institute, the National Council of Senior Citizens, the Concerned Seniors for Better Government, the Labor Council for Latin American Advancement, Frontlash and the Coalition of Labor Union Women.

Other workshops dealt with relations with local political party organizations and building coalitions with community allies including the NAACP, the National Organization for Women as well as consumer, environmental, youth, religious and other organizations.

Representatives of many such groups participated in the political action rallies that rounded out each conference.

Featured speakers at the rallies throughout the country included Senators Donald W. Riegle (D-Mich.), Paul S. Sarbanes (D-Md.), Henry M. Jackson (D-Wash.), and Spark M. Matsunaga (D-Hawaii) as well as Norman Hill, executive director of the A. Philip Randolph Institute.

IN HIS SPEECH to the participants at the rallies, Kirkland stressed that the AFL-CIO had been among the first to strongly protest the Reagan Administration's social and economic policies and offer alternatives.

But the labor movement "is no longer a voice in the wilderness," and "the bloom is off the President's self-proclaimed mandate," he asserted.

"The spreading recognition that the nation is in trouble and that the Administration is floundering does not mean that labor's views will prevail on their merits alone," Kirkland said. "It means that more people—in the political arena, in the media and even in the executive suites—are taking a second look at the policies we have been advocating."

Kirkland pointed out that the AFL-CIO today has a larger audience for its alternative proposals, but that it is still essential "to reach out not only to our familiar friends but to the unconverted and the confused.

"It is not enough to win hearts and minds; we have to win elections," he said.

Shipyard Jobs Imperiled by Reagan Plan

The AFL-CIO urged Congress and the Administration to keep America's shipbuilding capacity intact and scrap a proposal that would close down U.S. shipyards and shift the building and repair of American-flag merchant ships to foreign countries.

An Executive Council resolution protested a section of the Reagan Administration's maritime program that would lift all restraints on foreign construction of vessels entitled to federal operating subsidies.

IF THIS were done, the council said, ship construction and repair would go to foreign yards "where low construction costs are made possible by host nation subsidies." And the United States would lose "the yards, tools, technology, workers and skills of an industry that provides jobs for 170,000 American workers."

The council resolution urged the Administration and Congress to restore the construction subsidy and loan guarantee programs to revitalize the U.S. shipbuilding industry.

It called also for establishment of a U.S. cargo policy that includes ratification of a United Nations shipping code and the negotiation of bilateral shipping agreements for bulk cargoes with major U.S. trading partners.

"A STRONG, private shipbuilding industry and merchant fleet are vital to the nation's economy and security, and must not be dismantled," the Executive Council declared.

The council statement noted that the shipbuilding industry has already been severely eroded because of the decline of the American-flag fleet, which now carries less than 4 percent of the nation's exports and imports.

Britain's current experience "clearly demonstrates the need for a merchant marine available for immediate reassignment to military support," the council said. "Only a strong, modern, home-based shipbuilding capability can produce, repair and maintain those vessels," it stressed.

The council warned that abandonment of America's shipyards would leave the nation's maritime strength "in the hands of foreign shipyards whose only allegiance is to a balance sheet."

Indiana Desk Co. Added to Labor's 'Don't Buy' Listing

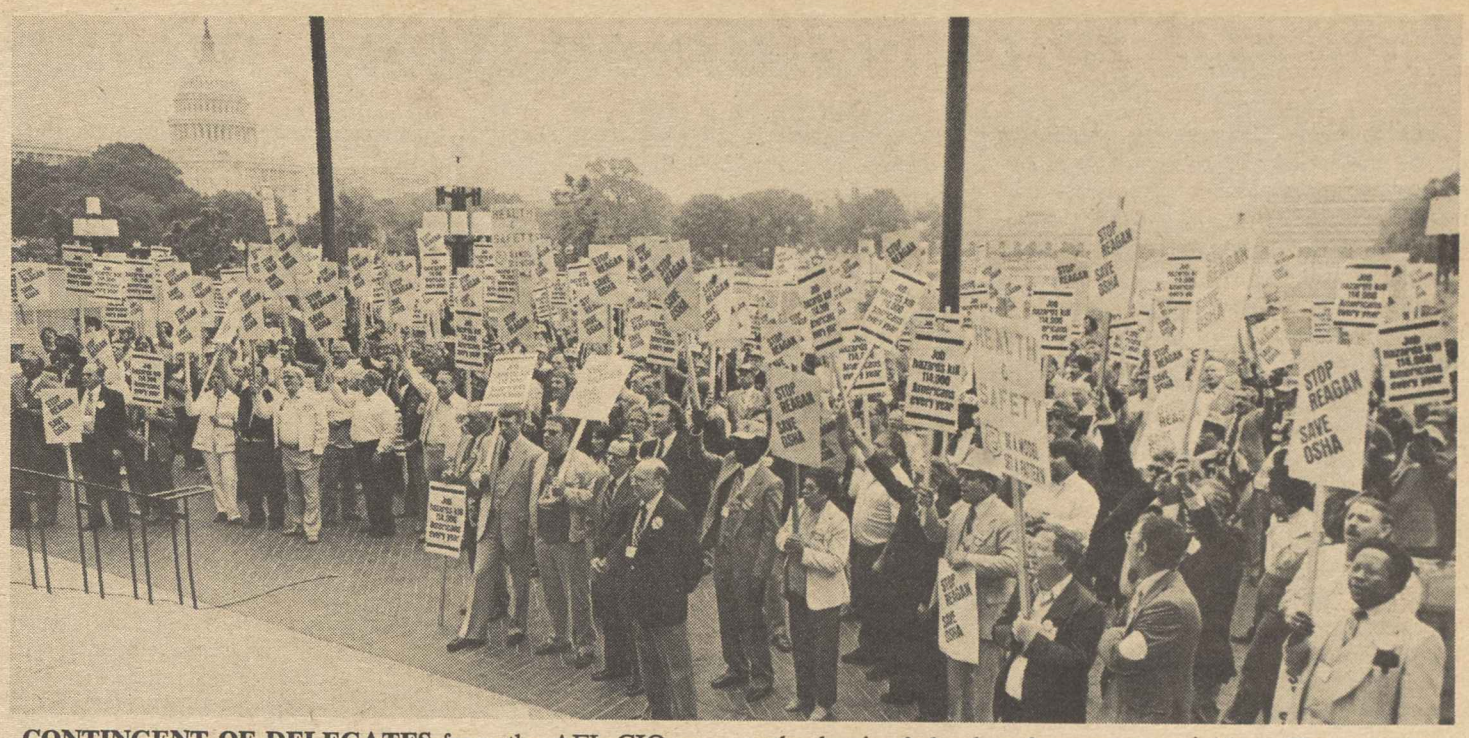
The products of Indiana Desk Co. were added to the AFL-CIO boycott list by the AFL-CIO Executive Council which endorsed the action called by the Furniture Workers.

The hiring of a union-busting consultant by the Jasper, Ind., office desk manufacturer soured 30 years of stable bargaining relations and forced 170 production and maintenance employees to strike Mar. 29 after working several months without a contract, the council's statement reported.

The council pointed out that the company had stalled negotiations until four days before expiration of the agreement early this year and then asked to take away the union's pension and insurance plans as well as the right to grieve on incentive rates.

THE COMPANY'S strategy "was designed and executed by an Indianapolis 'consulting' firm with a record of seeking union decertification elections," the council said. Earlier, the company's lawyer had been dismissed for talking openly of plans to "stop the union" at the Jasper plant and two other firms owned by Indiana Desk.

The company's medium-priced office and executive desks are marketed under the brand name Indiana Desk.



CONTINGENT OF DELEGATES from the AFL-CIO national job safety conference masses outside the Labor Dept. headquarters to protest the Reagan Administration's steep cutbacks in federal enforcement activities. The two-day conference drew several hundred union safety representatives from 40 states.

Safety Conference Launches Drive To Counter Cutbacks in Protection

(Continued from Page 1)

prefer to have an OSHA program that is least costly to management, he said.

"Instead of reducing noise through engineering controls, employers force workers to wear earplugs. Instead of removing unsafe concentrations of dust or chemicals, employers encase workers in respirators. The worker is engineered, not the workplace."

Kirkland pledged that labor would not retreat from its goal of attaining safe and healthful workplaces for all American workers.

"LET THE Administration understand, and let the politicians who seek our support in this election year understand, that our commitment to the survival and improvement of OSHA is tenacious," he warned.

"We will defend the health and safety of workers anywhere—the courts, the legislatures, the bargaining tables, the streets, if necessary, and wherever public opinion is shaped."

Federation Vice President J. C. Turner, who chaired the conference, traced OSHA's enforcement rollback to deep staff reductions and the closing of one-third of the agency's offices and field stations across the country.

DR. EULA BINGHAM, administrator of OSHA during the Carter presidency, accused the current holder of the office—Thorne G. Auchter—of mismanaging the agency. Because of Auchter's policies, she charged, there has been a mass exodus of competent scientists who on ethical grounds could not justify remaining with the agency.

Although "deregulation may be a sexy word in Washington," she said, "it is not fashionable in Pittsburgh, East Chicago, or Harlan County, Ky." She warned that new occupational hazards are emerging as OSHA retreats.

Bingham commended the labor movement for pursuing additional worker protections through municipal ordinances and state statutes to replace abrogated federal safeguards. She noted that unions have just succeeded in gaining "right-to-know" measures in Wisconsin and Norwood, Ohio, that require employers to inform workers fully about toxic substances they are exposed to.

UNIONS MUST continue to use litigation, pressures, protests and the ballot box, to attain their goals on job safety and health, she stressed.

Bingham, a professor of toxicology at the University of Cincinnati, also heads a political action committee working to elect candidates who support effective job safety programs.

Federation COPE Director John Perkins told delegates that the restoration of federal safety protections and other vital social programs are contingent on the election of labor-endorsed candidates in November.

"The assault against OSHA has been matched step for step on almost every program important to working people and their families," Perkins observed.

A SERIES of conference workshops focused on local, state and regional COPE campaigns keyed to occupational safety issues.

Other workshops explored:

- OSHA's slowdown in the development of safety and health standards, as well as Administration efforts to weaken existing regulations.
- Strategies to combat the reduction in federal enforcement through full participation of AFL-CIO affiliates in the "OSHA Watch" campaign.
- Worker education and training to replace programs slashed by Auchter and methods of obtaining essential information from OSHA.
- Worker rights under state-operated programs, activities of the National Institute of Occupational Safety & Health, activities of the mine safety agency, safety protections for federal and public employees, and the impact of the Reagan cutbacks in safety on women and minorities.

Between sessions and workshops, delegates also met with congressmen and senators on Capitol Hill and demonstrated outside the Labor Dept. headquarters to protest OSHA's retreat on protections.

Federation Occupational Safety Director George H. R. Taylor said the conference helped spell out to delegates the "poor Reagan record" on safety and to bring Congress a clear message of labor's concerns. The delegates can now spread the message back home and help lead the fight to reverse the Administration's anti-OSHA policy, he said.

Striking Texaco Oil Workers Draw Council's Full Support

Texaco "appears to have no respect for its contractual commitments" or the rights of its employees, the AFL-CIO Executive Council charged in a statement condemning the company's refusal to negotiate a settlement with the Oil, Chemical & Atomic Workers unless the union agrees to gut pension protections.

Over 4,000 OCAW members have been on strike at the company's Port Arthur, Tex, plant since Jan. 8 even though other segments of the industry have agreed to contract terms.

TEXACO IS trying to use the bargaining process to get around a federal court decision upholding the union's position that the company violated the previous contract when it increased the percentage used to discount retirement benefits when workers took them in a lump sum, the council said.

The company is demanding removal of contract clauses that guard against cuts in retirement benefits, the council noted, and Texaco refuses to talk about settling other issues until the union "surrenders" on the pension dispute and agrees to "sweeping changes" in work practices.

The council urged AFL-CIO affiliates to inform their membership of Texaco's actions. The company "is not an economically distressed" company and has "handsome profits rolling in from worldwide holdings," the council noted.

MINE WORKER Barbara Angle of UMW District 31 in West Virginia, whose arm was mangled in a 1979 mine accident, was among the victims of industrial hazards in the AFL-CIO rally for stronger protections. Another was Leon Krutchen of the Food & Commercial Workers who lost an arm on the job. But Jimmy Good, an Asbestos Workers' local business agent from Baltimore, was unable to attend the demonstration. He was in the hospital for lung-cancer treatments.

Anti-Recession Plan Rejected

House, Senate Snarled In Budget Controversies

(Continued from Page 1)

Whatever version the House adopts will then have to be reconciled in conference with the budget resolution adopted by the Republican-controlled Senate, which largely follows the Administration's blueprint for further spending cuts and a freeze or ceiling on most benefit payments.

The Senate did rebel against the Administration's attempt to cut back on railroad retirement. It adopted, 57-40, a labor-supported amendment by Sen. Jim Sasser (D-Tenn.) to restore the slashed funds, and then tabled a GOP "half-loaf" compromise by 53-44.

BUT IT rejected, 52-42, an attempt by Sen. Robert G. Byrd (D-W.Va.) to assure funding for an additional 13 weeks of extended unemployment compensation. And it defeated, 60-39, an attempt by Sen. Daniel Patrick Moynihan (D-N.Y.) to restore $2.6 billion cut from Medicare and Medicaid.

Meanwhile, the Senate was tangled in its own parliamentary snarl—over a House-passed "urgent" supplemental appropriations bill.

The House had included in the measure $1 billion to launch a new program of mortgage interest rate subsidies for moderate-income purchasers of new homes. Labor supported the move as a needed stimulus for home construction and a step towards lower interest rates.

The Reagan Administration wanted the Republican-controlled Senate to kill that provision, warning it could lead to a presidential veto.

But home builders were pushing the other way, and a bipartisan majority of the Senate joined in sponsoring a move by Sen. Richard G. Lugar (R-Ind.) that included in the appropriations measure a five-year authorization fo the mortgage subsidy program and contract authority to enable an immediate large-scale startup.

Republican leader Howard Baker moved to drop the housing provisions from the bill to defuse the veto confrontation. But the Senate insisted on keeping the provision by a stunning 70-23 margin.

FURTHER ACTION on the bill was delayed by filibuster tactics of an opponent of the housing stimulus, Sen. William L. Armstrong (R-Colo.).

One of his delaying amendments, however, proved a morale-booster for labor in resisting attacks on the Davis-Bacon Act.

Armstrong proposed an amendment to the appropriations bill that would have virtually repealed prevailing wage coverage. It was tabled, and thus killed, by an overwhelming voice vote.

In other developments:

- The House joined the Senate in adopting a resolution of disapproval that kills a Federal Trade Commission regulation that would have required used car dealers to notify buyers of any known defects in autos. The AFL-CIO and consumer groups had backed the FTC regulation, which was 10 years in the making. But used car dealers mounted a heavily-financed lobbying effort which paid off in a 69-27 vote in the Senate and a 286-133 vote in the House.

Under a 1980 law, an FTC regulation can be blocked by a vote of the House and Senate, without the need for the President's signature. A recent federal court decision invalidated a "legislative veto" provision of the 1978 Natural Gas Policy Act and a court challenge is expected to the constitutionality of the FTC provision.

- The Senate Labor & Human Resources Committee gave unanimous approval to a compromise bill that restricts coverage under the Longshoremen's & Harbor Workers' Compensation Act and makes a number of changes designed to hold down costs. But the committee cropped from the bill a number of cutbacks that waterfront unions most vigorously opposed.

Labor Museum Lauded At Historic Botto House

Creation of the American Labor Museum at Botto House in Haledon, N.J., was applauded by the AFL-CIO Executive Council, which cited its efforts to teach young people about the labor movement and increase public knowledge and appreciation of the contributions of working people to American society.

The house, designated a state and national historic site since 1975 at the urging of the Textile Workers, was owned by Pietro Botto. During the historic 1913 strike of 20,000 silk workers in nearby Paterson, Botto opened his home to the workers for meetings and rallies during the five-month-long struggle.

In 1981, a non-profit institution was set up to establish a museum on the site.

'Somehow, It Doesn't Make Me Feel Better!'

Real Wages Decline in April Despite Moderate Price Rise

The real earnings of American workers dropped in April even though consumer prices rose only moderately as the recession tightened its grip on the economy.

Although consumer prices rose only two-tenths of 1 percent over the month, "real" or inflation-adjusted earnings fell by as much during the same period, the Bureau of Labor Statistics reported. The decline—part of a 2-percent falloff over the past year—cut average real earnings by 36 cents a week.

BLS SAID THAT while gross weekly earnings of nonfarm production workers averaged $263.09 in April, a $10.33 increase over the year-earlier level, earnings in constant 1977 dollars averaged $168.54 a week, or $3.64 less than in April 1981. The figures are adjusted for seasonal price fluctuations.

The earnings decline was due entirely to the modest CPI increase as a three-tenths of 1 percent rise in average hourly earnings in April was offset by a three-tenths of 1 percent decline in average weekly hours, two other factors that can change real earnings. The April earnings decline was the first since January. In March, constant-dollar earnings averaged $168.90 a week.

In a separate report, BLS found no change in real median earnings over the first quarter of 1982. The bureau said that median weekly earnings of wage and salary workers with full-time jobs rose to $304 in the January-March period, up 7.4 percent from a year earlier. But, since consumer prices rose at the same pace during the same one-year period, real median earnings stood still.

APRIL'S CPI increase was accounted for by higher food and housing costs. But these increases were largely offset by another sharp drop in energy prices. The index was 6.3 percent higher over the year.

Food and beverage prices rose three-tenths of 1 percent last month as meat prices rose sharply. Food prices declined two-tenths of 1 percent in March. Housing costs jumped nine-tenths of 1 percent, after falling three-tenths of 1 percent the month before, chiefly because of a 2.1-percent increase in home-financing costs.

Gasoline prices declined by 6.7 percent, however, the fourth consecutive month they have gone down. The April price for all types of gasoline fell 5.8 cents to $1.21 a gallon.

Medical care costs increased 1 percent in April after average increases of 7.5 percent over the previous four months.

House Panel Votes Jobless Aid Extension

The House Ways & Means Committee has voted 23-5 approval of an additional 13 weeks of extended unemployment benefits for hundreds of thousands of workers whose payments will be cut off before plant hiring gates open.

Labor had sought the extension of benefits "to forestall economic disaster for the long-term unemployed," although the committee-approved bill fell short of the AFL-CIO's proposals and was marred by a regressive tax law change.

Under existing law, the maximum duration of unemployment benefits is 39 weeks—normally 26 weeks of state payments plus up to 13 weeks of state-federal payments in jurisdictions where the extended benefits program has been triggered by exceptionally high insured jobless rates.

The committee bill would stretch eligibility to 52 weeks in the jurisdictions where extended benefits are in effect—currently 31 states, Puerto Rico and the Virgin Islands. The final 13 weeks of benefits would be totally federally financed.

TO FUND THE added 13 weeks of benefits, the committee voted to lower the income threshold at which unemployment compensation payments are subject to the federal income tax. Present law makes benefits taxable for individuals with an annual income over $20,000 or over $25,000 in the case of a couple filing a joint return. The committee would lower the cutoff to $12,000 for an individual or $18,000 for a couple.

The tax change would be permanent, although the added 13 weeks of extended benefit eligibility would expire on Sept. 30, 1983.

In a letter to the committee before the vote, AFL-CIO Legislative Director Ray Denison protested that subjecting unemployment benefits to taxation amounts to imposing "a means test."

Denison also urged the committee to cancel a raise in the trigger level for extended unemployment benefits that Congress enacted last year, to take effect on Sept. 25, 1982.

PRESENT LAW triggers extended benefits if, over a 13-week period, the insured unemployment rate (IUR) is at least 5 percent, or both 4 percent and 120 percent of the rate for the same period of each of the past two years. The IUR is a measurement that is always significantly lower than the overall unemployment rate.

The change scheduled for next September would raise the trigger to a 6 percent IUR rate or 5 percent along with a 20 percent rise over the previous two years.

THE COMMITTEE rejected an amendment by Rep. William D. Brodhead (D-Mich.) which would have repealed the scheduled raising of the trigger level. But it also rejected a Republican attempt to reduce the number of unemployed workers eligible for the final 13 weeks of benefits by requiring a longer period of work in covered employment during the year before the worker filed for unemployment compensation.

The 13-week extension bill had been approved earlier without the restrictive tax provision by a subcommittee headed by Rep. Harold E. Ford (D-Tenn.). A similar bill introduced by 22 Senate Democrats on May 18 is to be considered by the Senate Finance Committee.

John D. Connors Dies, Headed Education Dept.

John D. Connors, who served as the AFL-CIO education director during the 1950s and retired in 1969 after nine years as a special assistant to the federation president, died May 22 of cardio-pulmonary arrest at Chevy Chase, Md. He was 79.

Connors began his trade union career as a volunteer organizer in Massachusetts for the American Federation of Teachers and was elected president of an AFT local in 1932. He also was an AFT vice president from 1937 to 1948. Connors became the first education director of the AFL in 1954 and was appointed education director of the merged federation the following year. In 1960 he was made special assistant for safety to AFL-CIO President George Meany.

He is survived by his wife Gertrude. A memorial Mass will be said June 5 at Christ the King Church in Silver Spring, Md.

Correspondence about address corrections should be sent with attached mailing label to: Subscriptions, Room 209, 815 16th Street, N.W., Washington, D.C. 20006.

5/29/82

NLRB Orders Bargaining Despite Election Loss

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By James M. Shevis

The National Labor Relations Board took a new approach to unfair labor practices by employers as it ordered an Edison, N.J., company to bargain with a union which had lost a representation election following a vicious anti-union campaign by management.

The landmark ruling against Conair Corp., a manufacturer of hair care products, stems from events in 1977 when Ladies' Garment Workers Local 222 sought to organize the firm's 350 employees.

OVER A nine-month period, the NLRB said, the employer committed a series of unfair labor practices so "outrageous and pervasive" that they precluded holding a fair election to select or reject a union as bargaining agent.

Except in one other case, remanded by the 3rd Circuit U.S. Court of Appeals, the NLRB had not previously taken such action.

The Conair case is the first in which the board has acted without a court's direction to issue a bargaining order in such a case, thus setting a new policy of the NLRB itself.

Board Members John Fanning, Howard Jenkins, Jr., and Don A. Zimmerman formed the 3-2 majority imposing the bargaining order against Conair. Upholding an earlier finding of an NLRB administrative law judge, the board said the case was clearly the "exceptional' type envisioned by the Supreme Court in its 1969 Gissel Packing Co. decision. In that ruling the high court suggested that where flagrant employer violations preclude a fair election, the board might issue a bargaining order "without need of inquiry into majority status on the basis of cards or otherwise."

SEPARATE DISSENTS were written by President Reagan's two NLRB appointees, Chairman John Van de Water and Member Robert P. Hunter.

Both argued that the NLRB lacked statutory authority to order bargaining and that it was improper to impose a union representative on a body of workers without proof of majority preference.

(Continued on Page 7)

VOTER REGISTRATION drive on wheels operated by New York City hospital workers will roll through the city's minority communities this summer with a bilingual registration and voter education program. State, County & Municipal Employees Local 420, representing 14,000 non-professional hospital workers, is pressing the campaign from the union's "Freedom Bus," shown here outside a Harlem hospital.

New Rules Scored As Bid to 'Repeal' Wage Protections

By David L. Perlman

New Labor Dept. rules will virtually demolish the prevailing wage safeguards of the Davis-Bacon Act, and building trades unions are exploring legal action to keep the law from being "repealed by administrative fiat."

The rules changes that "shocked and angered" the AFL-CIO Executive Council were welcomed by the U.S. Chamber of Commerce as a "pleasant surprise."

THE CHAMBER, which speaks for anti-union employers, termed the final version of the Davis-Bacon Act regulations "a substantial improvement" over the damaging but less extreme changes the Administration had proposed last year.

By the Labor Dept.'s own estimate of "savings," the new regulations will cost workers on government-funded construction projects some $600 million a year in lost earnings.

Most of the "savings" would come by wiping out jobs for skilled journeymen and allowing contractors almost unlimited use of low-paid, semi-skilled "helpers" who could be used for any type of construction work.

PRESIDENT Robert A. Georgine of the Building & Construction Trades Dept. said a byproduct of such a rules change would be the scuttling of apprenticeship programs that have been bringing an increasing number of blacks and other minorities into the skilled ranks.

The "helper" category would close off the apprenticeship route and create a "permanent second-class status" in the construction trades, he charged.

The Labor Dept.'s own estimates pointed up the wage loss. It computed potential "savings" by calculating that a contractor could hire a helper for an average of $6.70 an hour less than he would pay a journeyman. And if helpers were also used to replace experienced construction laborers, a contractor could save from $4.95 to $5.71 an hour on a laborer's rate.

Last August, the Labor Dept.'s proposals for changes in Davis-Bacon rules called for allowing one helper for every five journeymen, along with other measures that labor strongly protested as weakening the prevailing wage law.

THE CHAMBER of Commerce said at the time that the proposed rules changes moved "in the right direction" but not fast enough for its satisfaction.

It was the Labor Dept.'s decision to allow contractors to use two helpers for every three journeymen that came as such a "pleasant surprise" to the Chamber.

The reaction bore out the prediction of Labor Sec. Raymond J. Donovan in a memo to Vice President George Bush that was quoted in the Bureau of National Affairs publication, Daily Labor Report.

DONOVAN WROTE Bush, who is head of the President's Task Force on Regulatory Reform, that the new regulations "should be very well received by contractor groups." But he acknowledged that unions "may react unfavorably."

(Continued on Page 2)

Mine Safety Coverage Put Before Conferees

A House-Senate conference committee will decide on safety coverage for tens of thousands of workers in above-ground stone, clay, sand, gravel and phosphate mining.

Mine owners last year lobbied through Congress as part of a general funding resolution a provision that took jurisdiction away from the Mine Safety & Health Administration (MSHA), which has mandatory inspection schedules and more stringent safeguards than the Occupational Safety & Health Administration (OSHA).

Both agencies are part of the Labor Dept., which joined the trade union movement in opposing the shift.

THE CHANGE in jurisdiction took effect last December, and workers and their unions say fatalities have already doubled over the same period a year ago.

Last month, the House listened to them and voted 220-186 to restore MSHA jurisdiction. The Steelworkers, the Cement, Lime & Gypsum Workers and the Operating Engineers were especially active.

But the mine owners carried the day when the appropriations bill reached the Senate, although by a reduced margin. The Senate voted 52-38 to delete that provision of the House bill. It was a closer vote, however, than the 63-35 margin the previous year. The next move is up to the House-Senate conference committee on the supplemental appropriations bill.

THE SAME conference committee will consider whether to provide funds that will allow a partial rollback of the heavy postage rate increases for publications of nonprofit organizations.

Last year's budget axe jumped postage costs far beyond the previously scheduled increase, forcing many union newspapers and magazines to abandon or cut back publication. The International Labor Press Association has been among the groups pressing for a reprieve.

The Senate by voice vote approved $62 million to allow a rollback effective June 20, and it will be up to the conference committee whether to include it in the final version.

In some other congressional developments:

- The full Senate Labor & Human Resources Committee gave unanimous approval to a modified version of a bill intro-

(Continued on Page 3)

House Goes Back For New Attempt To Draft Budget

The House will make a new attempt to pass a budget resolution that will set binding spending ceilings for the fiscal year that starts Oct. 1 and will determine tax changes needed to meet revenue targets.

The Senate has already done so, and a final congressional budget was scheduled to be worked out in a House-Senate conference. But the House wrestled for more than a week with eight alternative budget proposals and ended up defeating them all.

HOUSE MEMBERS were able to vote for more than one version, and many ended up voting for three or four. But none could muster a majority.

The chief Republican bill, which the AFL-CIO warned would worsen the hardships of the recession, lost by only 235-192. That was the closest of the votes.

The version endorsed by the Democratic leadership was defeated, 253-171. And the budget the AFL-CIO said would best fuel economic recovery and achieve tax justice lost on a 268-152 vote.

(Continued on Page 3)

Senate Moves to Increase U.S. Pressure on Poland

The Senate took a labor-urged step to put new economic pressure on the rulers of Poland to abandon repressive measures and to put political pressure on President Reagan to back up words with actions.

It adopted an amendment to an appropriations bill that seeks to stop the Administration from covering loan guarantees to firms and banks that have extended credit to Poland—unless the Polish government has first been declared in default of its financial obligations.

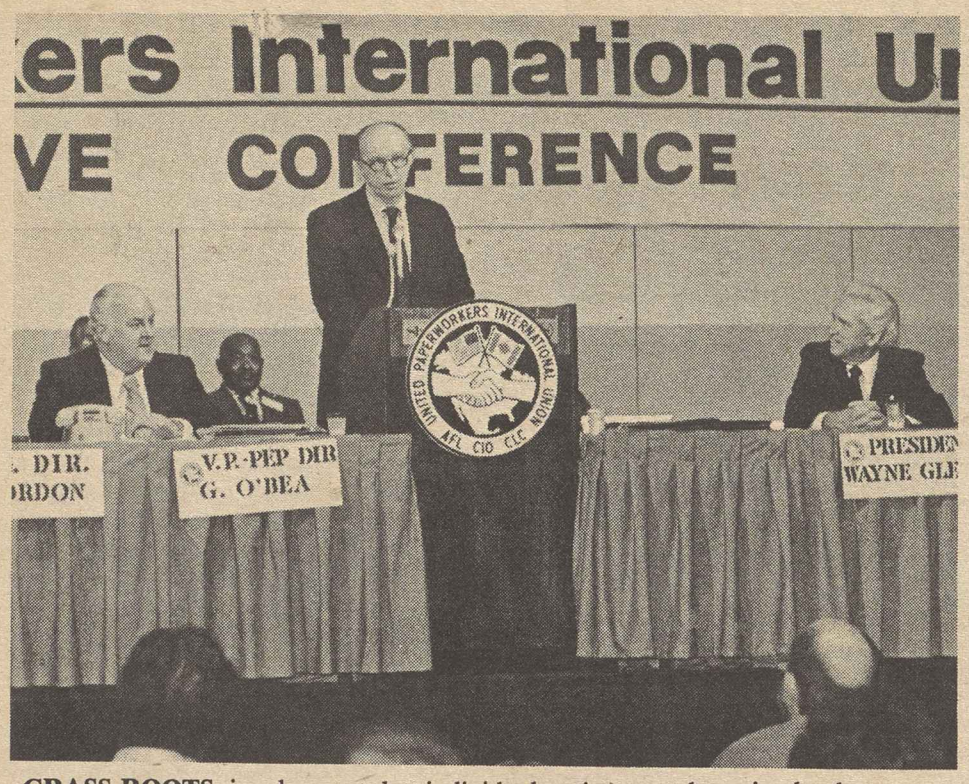
IN A LETTER to senators, AFL-CIO President Lane Kirkland said failure to declare Poland in default has sent a message to the Polish people that the United States "will continue to underwrite their rulers as they step up their brutal campaign against Solidarity," the suppressed trade union federation.

"Solidarity's leaders have urged stronger economic sanctions by the West as the most effective means of pressuring the junta to relax martial law and enter negotiations with the union movement," Kirkland noted.

He reminded the Senate that President Reagan had promised stronger economic sanctions if the Polish repression was not eased. But instead, the U.S. government has bailed out Poland's rulers.

The original wording of the amendment, co-sponsored by Senators Robert W. Kasten, Jr. (R-Wis.) and Daniel Patrick Moynihan (D-N.Y.) would have allowed a U.S. payment to cover the Polish debt without default only if the President certified to Congress that the payment "is in the national security interest."

IT WAS modified to allow the President to handle the certification requirement on a monthly basis rather than for each separate transaction. It passed by an 83-10 vote and will be considered in a House-Senate conference. The House has no such provision in its bill.



GRASS-ROOTS involvement by individual union members is the key to a louder voice on Capitol Hill if working people want to be heard in the battle to save valued programs now under attack by the Reagan Administration, AFL-CIO Sec.-Treas. Thomas R. Donahue told participants at the Paperworkers' legislative conference in Washington. At left is George H. O'Bea, UPIU vice president and political education director. Paperworkers' President Wayne E. Glenn is at right. The 500 delegates met with their home-state senators and representatives during the three days of sessions.

Donahue Calls on Workers To Speak Out to Congress

Working people must make themselves heard on Capitol Hill in "self-defense," AFL-CIO Sec.-Treas. Thomas R. Donahue declared at the Paperworkers' legislative conference in Washington.

Involvement in the political and legislation process, Donahue said, is necessary as a defense "on the part of people whose right to a secure place in their own jobs and in their own communities is under ruthless attack from the policies of the Reagan Administration."

"IT'S YOUR job and mine and the job of every trade unionist to rally and organize a defense against that attack," he told the 500 local union officers attending the three-day meeting.

The conference included addresses by UPIU President Wayne Glenn and Sec.-Treas. Nicholas Vrataric and the union's legislative representatives as well as members of Congress. Two afternoons were open for visits with senators and representatives on Capitol Hill.

Other speakers included Sen. Edward M. Kennedy (D-Mass.), Rep. David Obey (D-Wis.), Sen. James Sasser (D-Tenn.), Sen. Howard Metzenbaum (D-Ohio), Rep. Marc Marks (R-Pa.), Sen. William Bradley (D-N.J.), Rep. Millicent Fenwick (R-N.J.), Sen. John Glenn (D-Ohio), Sen. Donald Riegle (D-Mich.), Sen. Robert Byrd (D-W.Va.) and Sen. George Mitchell (D-Me.).

DONAHUE observed that President Reagan and his supporters in Congress have been "mighty selective about what they choose to hear." They are deaf to the government's own statistics on massive unemployment, bankruptcies and plant closings, foreclosures on homes and farms, deteriorating public facilities and growing social problems, he charged.

"The Great Communicator in the White House is not only ignoring the facts, he is doing all he can to drown them out," Donahue contended.

Enormous tax windfalls to corporations and the rich are the President's answer to stimulating new investment and industries, Donahue observed. But industrial expansion is unlikely "when 30 percent of the industrial capacity that already exists is standing idle," and new ventures are in doubt "when you have to pay 18 or 20 percent interest to the bank before you can look for a nickel in profit," he told the conference participants.

SOME OF the Administration's supporters in Congress and the business community have become "disenchanted with lunacy," Donahue said, "but they find President Reagan as deaf to them as he is to workers."

Donahue cited a recent Washington Post/ABC News poll which found 43 percent of those surveyed agreeing that President Reagan "cares more about cutting taxes for the wealthy and eliminating social programs than he does about helping the nation's economy."

There is evidence in the voting records in Congress, he said, that the labor movement's message is getting through.

"NOW IS the time for Congress to enact an honest, realistic budget that meets America's needs, including anti-recession, job-creating programs and stimulation of the private sector," Donahue urged.

He called on the local union officers and political action committee leaders to encourage members to speak up on all issues that affect their jobs and their families.

Labor 'Shocked, Angered'

New Davis-Bacon Rules Gut Wage Protections

(Continued from Page 1)

His forecast was something of an understatement.

The AFL-CIO Executive Council, which was in session when the new regulations were announced, said the final version exceeds labor's "worst fears."

The Building & Construction Trades said the Administration is trying to use "massive unemployment in the construction industry as an excuse to lower workers' wages and destroy labor standards which have existed for 50 years."

Georgine said the regulations clearly flout the intent of the Davis-Bacon Act, and the department will pursue all legal options to challenge them.

THE CHAMBER of Commerce said it will urge Congress to make permanent changes in the Davis-Bacon Act "along the lines of the new regulations," presumably to forestall any legal challenge and block a future Administration from undoing the anti-union tilt.

Ironically, the first step toward revision of Davis-Bacon Act regulations was shaped in relative labor-management accord in the final months of the Carter Administration. These changes, which met some employer objections, were to have become final on Feb. 17, 1981.

But when President Reagan took office, he froze all pending regulaitons, and the Labor Dept. undertook its own review keyed to "cost-effectiveness" considerations.

The Executive Council's statement noted that the Labor Dept. promised at the time that the views of unions would be carefully considered. Instead, the original proposals were worsened, effectively destroying "any last vestige of protection" for workers, the council observed.

EMPLOYERS won their campaign to end the "30-percent rule" that set prevailing rates for each craft at the pay received by the largest number of such workers in a locality, provided that this included at least 30 percent of the workers surveyed.

Under the new rule, the 30-percent factor is raised to 50 percent. Otherwise, rates will be set on an average brought down by substandard open-shop employers.

Another change, which Georgine termed especially damaging, will ignore construction sites where Davis-Bacon rates are currently paid in surveying area wage rates.

THE LABOR Dept. also announced that it will no longer require employers to submit weekly payroll records to determine Davis-Bacon compliance. Instead, it will rely on self-certification by contractors that they have complied with the law.

A building trades statement noted that labor has shown its willingness to share in sacrifices needed to get the economy back to health and that the Administration had promised that workers would not have to shoulder the burden alone. It said the new Davis-Bacon regulations "betray that promise."

Article XX Sanctions Placed On Retail-Wholesale Union

AFL-CIO President Lane Kirkland has notified all affiliates that the Retail, Wholesale & Dept. Store Union has been found to be in non-compliance with the decision of an impartial umpire under the AFL-CIO's internal disputes procedures and is therefore subject to sanctions under the federation's constitution.

The finding was reached by a subcommittee of the AFL-CIO Executive Council consisting of Sec.-Treas. Thomas R. Donahue and Vice Presidents William H. Wynn and Frank Drozak.

THE FINDING, Kirkland said, followed the refusal of the RWDSU "to withdraw from a raid at the Connecticut Health Care Employees."

In his notification to affiliates, Kirkland said the union, effective May 13, 1982, would be subject to the following provisions of Section 15 of Article XX of the AFL-CIO Constitution:

"1. The non-complying affiliate shall not be entitled to file any complaint or appear in a complaining capacity in any proceeding under this article until such non-compliance is remedied or excused as provided in Section 16;

"2. The federation shall, upon request, supply every appropriate assistance and aid to any organization resisting the action determined to be violation of this article;

"3. The federation shall appropriately publicize the fact that the affiliate is not in compliance with the constitution;

"4. NO AFFILIATE shall support or render assistance to the action determined to be in violation of this article."

In addition to the RWDSU, the following unions are currently in non-compliance with an impartial umpire's decision: the International Typographical Union, the Graphic Arts International Union and the National Association of Broadcast Engineers & Technicians.

Schedule for June Listed By Labor Studies Center

Institutes on organizing and public sector negotiating and a special three-day Labor Song Exchange highlight June activities at the George Meany Center for Labor Studies, Silver Spring, Md. Four unions are using the campus for leadership training during the month, along with the AFL-CIO Dept. of Legislation and the American Institute for Free Labor Development. The schedule:

Organizing Techniques, June 13-18—A review of elements in a successful organizing campaign: the preliminary survey, in-plant committees, developing winning issues, making house calls and responding to employer attacks. Labor Board procedures will be explained.

Negotiating Techniques for Bargaining with State and Local Agencies, June 20-25—An opportunity for negotiators in public sector unions to sharpen their bargaining skills. Participants will bargain out an agreement in a typical public sector situation. The exercise will be videotaped.

Labor Song Exchange, June 14-16—How to be a song leader, write union songs for demonstrations and celebrations, perform before labor audiences, and plan and produce programs of labor songs. The exchange ends with a song fest in the campus theater, at 8 p.m. Wednesday, June 16.

Affiliates using the campus for their own leadership development programs are: Fire Fighters, June 1-4; Flight Attendants, June 7-10; Cement, Lime & Gypsum Workers, June 27-July 2; School Administrators, June 27-July 2.

The AFL-CIO Dept. of Legislation will sponsor a round-table discussion for AFL-CIO field representatives on grass-roots lobbying, June 2-4.

The AIFLD's 103rd class, made up of 20 trade unionists from Brazil and 20 leaders of Carribbean unions, completes six weeks on campus June 11. Class 104, consisting of 40 trade union women from Latin America, will check in June 21.

Information on these and other labor studies programs may be obtained from Fred K. Hoehler, Jr., executive director, George Meany Center for Labor Studies, 10000 New Hampshire Ave., Silver Spring, Md. 20903. Telephone 301/431-6400.

3 Union Presidents Named To Maritime Advisory Panel

Three union presidents have been appointed to a new Maritime Advisory Committee created by the Dept. of Transportation.

The three union officials are Presidents Jesse M. Calhoon of the Marine Engineers, Thomas W. Gleason of the Longshoremen and Shannon J. Wall of the National Maritime Union. Other members represent shipping, shipbuilding, and transportation and financial companies.

Unions Fight Trade Deal on Subway Cars

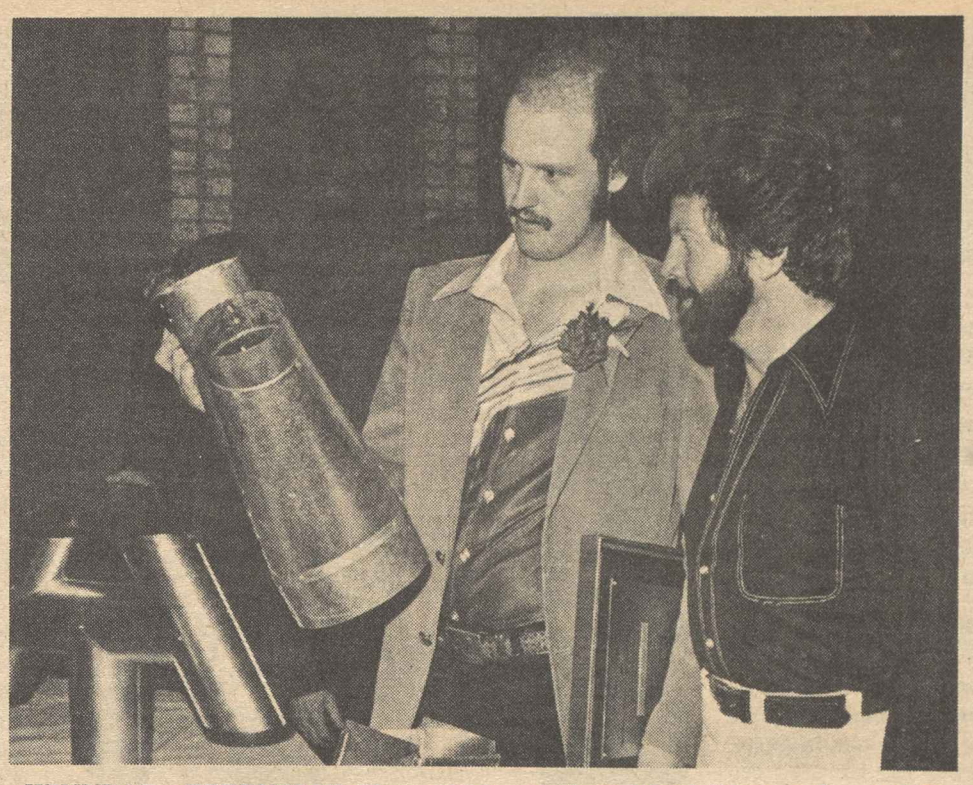
The AFL-CIO Industrial Union Dept. and three of its affiliates plan to file an unfair practice complaint under the 1974 Trade Act to block the purchase of some $1 billion worth of subway equipment from Canada and Japan by the New York Metropolitan Transit Authority.

The complaint focuses on export financing subsidies given by the Canadian government to Bombardier Inc. of Montreal for a $685-million sale of 825 subway cars to MTA, and subsidies by the Japanese government on a $274.5 million sale of 325 subway cars from the Kawasaki Corp. to MTA.

THE UNIONS—the Machinists, Auto Workers, and Steelworkers—contend that the Budd Corp. in Troy, Mich., was the low bidder against both Kawasaki and Bombardier and lost the sales solely because of subsidized export credits, which they charge are illegal.

The job loss from the transfer of the subway car sales away from the United States is estimated by the unions at about 25,000. Remedies which the unions plan to seek would void the contracts with Bombardier and Kawasaki and give the work to the Budd Corp. and its workers and suppliers.

The IUD charges that the subway cars are being purchased abroad only because of heavily subsidized export financing from the Canadian and Japanese governments. Commercial rates of interest for long-term U.S. loans currently are 15 percent, while the Canadian government provided financing at only 9.7 percent and the Japanese government at 12.25 percent.



WINNING APPRENTICE Chris Combe of Sheet Metal Workers Local 312, Salt Lake City, shows off work that brought him first place among fourth year contestants in the national apprentice contest at Minneapolis. At right is Mike Cooper, training coordinator for the National Training Fund of the Sheet Metal Industry which sponsors the annual competition.

Irving Brown Named to Head Dept. of International Affairs

AFL-CIO President Lane Kirkland has announced the appointment of Irving Brown as director of the federation's Dept. of International Affairs succeeding Ernest S. Lee, whom Kirkland named Apr. 15 to be executive director of the George Meany Archives.

In taking his new post, Brown will continue to supervise the operation of the AFL-CIO European Office in Paris where he has been stationed since 1973.

James Baker, director of AFL-CIO Region VI based in San Francisco, will be assigned for a year in Paris as deputy European representative for the federation.

KIRKLAND SAID a major aim of Brown's assignment will be to develop appropriate coordination of the AFL-CIO's international programs, including the work of its institutes for Asia, Africa and Latin America, with the activities of the International Confederation of Free Trade Unions, headquartered in Brussels, Belgium. The AFL-CIO reaffiliated with the ICFTU, the worldwide organization of non-communist unions, in January of this year.

Born in New York on Nov. 20, 1911, and a graduate of New York University, Brown has devoted his life to the trade union movement. Following the footsteps of his father, a pioneer labor organizer, Brown spent his early career organizing in the automobile and metal industries.

He served as the labor representative on the War Production Board during World War II. In 1945, he became the European representative of the AFL and worked to build non-communist unions on the continent during the post-war, rebuilding years. After the AFL-CIO merger in 1955, Brown continued to serve the merged federation in Europe.

From 1962 to 1965, he was the ICFTU delegate to the United Nations in New York. He was the first director of the AFL-CIO's African-American Labor Center, which was formed to provide technical assistance to free trade unions in Africa.

IN 1973, Brown returned to Paris as the AFL-CIO representative to free European trade unions and international organizations. He is the U.S. Worker Delegate to the International Labor Organization.

Baker, born in Berkeley, Calif., on Sept. 23, 1953, joined the AFL-CIO staff as a field representative in November 1975. In January 1979, he was named director of Region VI, covering ten western states. Baker was a member of the Auto Workers, a Communications Workers representative and a staff member of the Oregon AFL-CIO before joining the field staff.

Judge Holds Firm Liable For Plant Closing Damages

Newark, N.J.—A federal judge has found the Singer Co. to be liable for damages to employees of its sewing machine factory in Elizabeth, N.J., for reneging on a promise to keep the plant open and make it more efficient in return for their union's concessions on worker benefits.

Judge Herbert J. Stern of the U.S. District Court said that while he lacked the power to order the company to halt the plant closing, scheduled by the end of 1982, "we will not permit a company in clear breach of its collective bargaining agreement to escape its responsibility to answer in damages.

"INSTEAD, the court will award plaintiffs monetary damages in an amount to be measured either by the value of the union 'givebacks,' which will be determined at trial," or by the $2 million Singer promised, but failed, to spend in restructuring the plant, whichever is greater.

Singer agreed to deposit $2 million with the court as a fund from which damages ultimately could be withdrawn. The court has appointed a receiver to invest the money pending the final outcome of the litigation.

Stern said Singer's promise during 1981 negotiations to modernize the plant and use its best efforts to keep it open fell short of an enforceable obligation not to close the facility, yet it was clear that the firm stood in breach of its obligations.

A SUIT to halt the plant closing was filed by employees and by Local 461 and District 3 of the Electrical, Radio & Machine Workers. At its peak, the 100-year-old plant employed 10,000 workers. As recently as 1973, it employed 3,500, but by the time of contract negotiations in the spring of 1981, this number had shrunk to 598. There are now 400.

As part of the negotiated package signed on June 21, 1981, management also committed itself to devote "attention to the procurement of defense work compatible with the plant's machine shop capabilities" to keep the facility open. In exchange, the union gave up two floating paid holidays a year and two 10-minute rest breaks a day. It also agreed to a decrease from 10 to seven hours in the number of paid hours shop stewards could devote to union business.

At the conclusion of negotiations, Singer prepared a document in which it estimated the value of these "givebacks" as $1,853,000. Some five months after the signing of the contract, the company stopped all efforts to secure defense work and last February officially announced that it would close the plant this year.

SINGER ADMITTED in court that it breached the agreement, but took the position that it owed the workers nothing in damages because it would have been forced to close the plant in any event in light of an unprecedented decline in market demand. Stern rejected this position as untenable.

"It would be grossly unfair to permit a company, which admits that it breached a three-year collective bargaining agreement within months after it had been signed, to close this facility and walk away from these workers without paying one cent in damages," the judge said.

Boycott Ends Against New Galax Mirrors

Galax, Va. — The Furniture Workers have ended their boycott of products of New Galax Mirror Co. following the signing of a contract with the employer here.

The AFL-CIO Union Label & Service Trades Dept. announced it has removed the glass and mirror manufacturer from the list of boycotts endorsed by the federation's executive council. The company had been on the list since November 1981.

The 65 workers at the plant voted for representation by Furniture Workers Local 253 in March 1981 and were forced to go on strike in September after the company refused to bargain and fired and harassed employees.

Ban on Formaldehyde Urged In Barber, Beauty Shops

The Food & Commercial Workers called on state governments to ban the use of formaldehyde in barber shops and beauty parlors for equipment sterilization.

The UFCW warned that the chemical can seriously jeopardize the health of barbers, beauticians and their customers. Formaldehyde has been labeled a "potential human carcinogen" on the basis of U.S. and international studies.

Mine Safety Coverage Put To Conferees

(Continued from Page 1)

duced by Sen. Sam Nunn (D-Ga.) that would crack down harder on union officials who take employer payoffs and on employers who bribe union officials.

PAYOFF OF more than $1,000 would be made a felony. Persons convicted of abusing their trusts would be immediately removed from office, subject to reinstatement with pay if the conviction is reversed on appeal. Persons convicted would be barred from union office or from corporate posts involving labor-management relations for a period of from five to 10 years.

At hearings last fall, AFL-CIO President Lane Kirkland suggested some changes in the original bill, but said tougher penalties against union officials who betray their trust would be in labor's "best interests."

- The Senate scheduled the Voting Rights Act as its first major business when it reconvenes June 8 after a weeklong recess.

THE HOUSE-PASSED bill came out of the Senate Judiciary Committee with its key provisions intact, and only a hard-core of opponents—too few to mount a successful filibuster—are expected to fight its passage.

- A more divisive civil rights battle is brewing in the House over a bill the Senate passed last year that would strip federal courts of authority to require busing of schoolchildren to overcome segregation. The bill has been bottled in the House Judiciary Committee, and proponents are seeking to force it to the floor through a discharge petition.

- Soon to come up in the Senate is the proposed constitutional amendment to compel a balanced federal budget unless three-fifths of the House and Senate vote otherwise. The AFL-CIO has termed the proposal wrong in principle and unworkable in practice.

House Goes Back For New Attempt To Draft Budget

(Continued from Page 1)

The same cross-currents that split the House more than two ways are tugging at the House Budget Committee, which is expected to bring to the floor a Democratic budget proposal, a Republican alternative —and possibly the original Reagan budget which the Senate unanimously rejected.

VOTES ON amendments to the various budget resolutions showed members opposed both to heavy cuts in popular social programs such as Medicare and to repeal of supply-side tax cuts for the wealthy that forced a choice between huge deficits and huge program cuts.

Congress can authorize programs and appropriate funds without a budget resolution. And the original concept of a first budget resolution was merely to set spending and revenue targets in general terms, with binding ceilings operative only through subsequent actions.

But last year, the Reagan Administration used the budget process to achieve what amounted to instant enactment of most of its legislative program. Congress not only set spending targets, but gave its legislative committees a firm deadline to change laws so as to cut back or abolish programs the Administration opposed.

THESE COMMITTEE actions were then combined into a single "reconciliation" bill that cleared the House and Senate before most members were even aware of its ingredients.

The reaction against the steamroller tactics and the falloff in White House influence has been a factor in the slowing of the budget process this year.

Gutting Davis-Bacon

IF TIMES are hard enough, someone can always be found to do a job for less pay.

This country had a taste of such dog-eat-dog competition for scraps of jobs in the Great Depression, and it nearly wrecked the economy. The bitter experience helped turn workers to strong unions and prompted government to enact minimum wage and prevailing wage laws.

Even today, the bare-bones minimum wage needs constant enforcement because there are still poor and desperate people looking for any work and employers willing to exploit them.

In a large segment of the construction industry, it will no longer be necessary to break the law in order to push down wage scales. In fact, the new Davis-Bacon Act rules announced by the Dept. of Labor will encourage such tactics. The non-union contractor who can take advantage of massive unemployment to get people to work for less now has government sanction to do so.

UNDER THE new rules, close to half the workforce can be made up of low-paid "helpers," a second-class job category that replaces both skilled journeymen and apprentices learning a trade. If that were not enough, contractors will apparently also be able to hire "helpers" to replace construction laborers—at less pay, of course.

In a memorandum to Vice President Bush, the Secretary of Labor predicted that the new Davis-Bacon rules would be "well-received" by employers. But he cautioned that labor may "react unfavorably." How right he was.

Keeping the Budget Score

THE HOUSE of Representatives has been having the most difficult time reaching agreement on a budget resolution, and that is understandable.

There is near-unanimous agreement that the budget submitted by President Reagan just won't do. Conservatives are shocked by its huge deficit, liberals and moderates by its inadequacies in terms of the nation's needs. And as the recession drags on, few still believe in the upside-down logic of supply-side economics.

By a regrettable 268-152 vote, the House has rejected the budget alternative that was most likely to propel the economy out of recession. It also was the budget option most likely to point the way to a balanced budget—through a combination of full employment and tax reforms.

SO, REALISTICALLY, there is little prospect that this Congress will take the bold steps that are needed. But there will still be choices, as the budget process moves to completion, as new legislation is shaped and appropriations voted.

In many cases, the choices will determine whether unemployment lines grow or shrink. In others, the choice will be equality of sacrifice—whether those with the least will suffer still further cuts in their standard of living and health care so that those with the most can preserve the huge tax breaks that Congress voted last year. It is by these decisions that members of Congress make the record on which they will be judged in November.

The labor movement will try to keep score.

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Official Weekly Publication of the American Federation of Labor and Congress of Industrial Organizations

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THOMAS R. DONAHUE, *Secretary-Treasurer*

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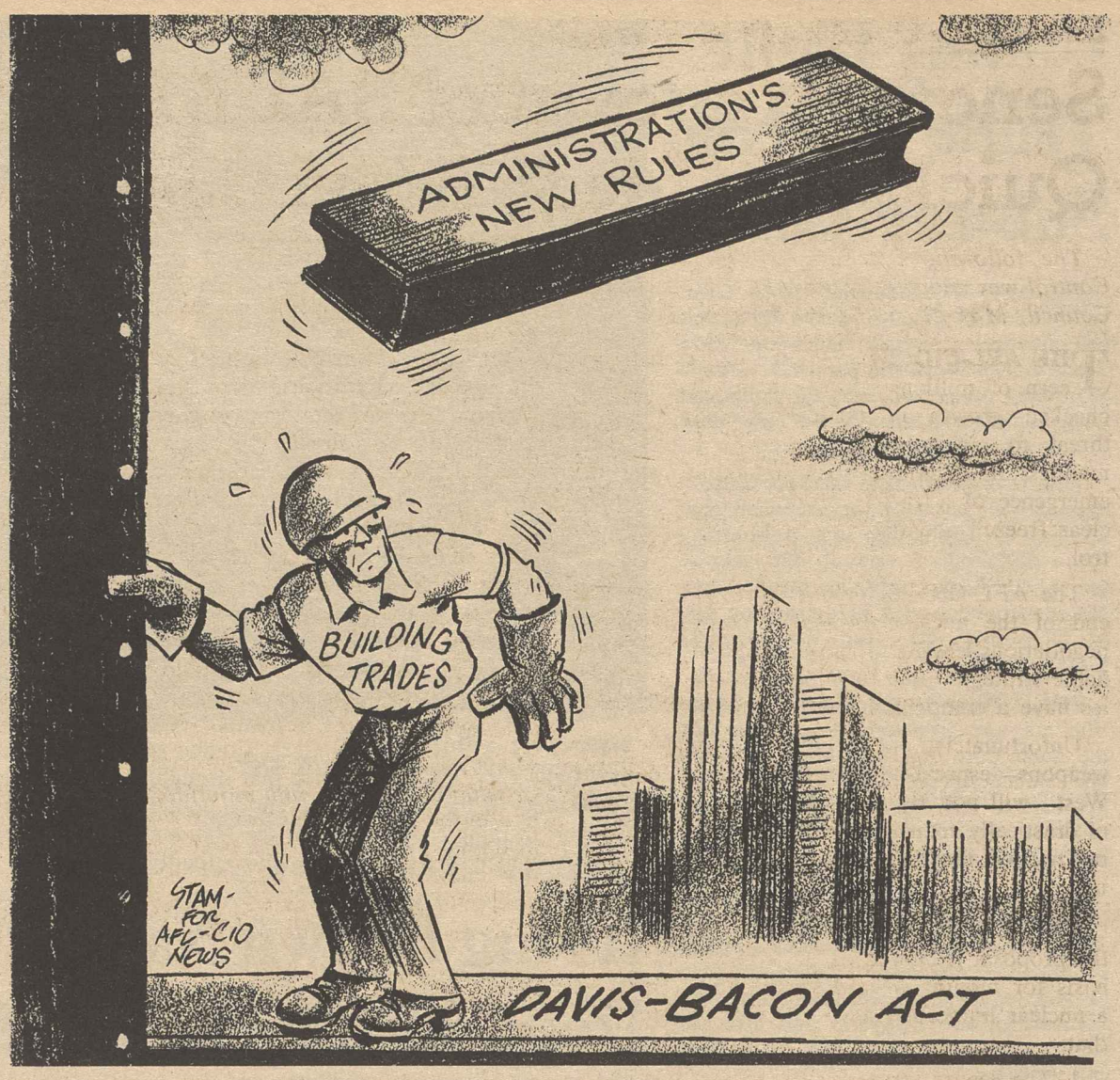

Workers as Capitalists

Pension Funds Provide Bulk Of New Business Financing

By Gus Tyler

THIS YEAR, most of the capital to finance American business will not come from capitalists. It will come from pension funds for workers.

That is the essence of a report on how America will finance its economy. The facts and figures, as set forth in a recent issue of Business Week, give us a sense of living in a topsy-turvy world in which—to quote Gilbert and Sullivan—"things are seldom what they seem."

FIRST, CONSIDER the facts. In 1982, Business Week estimates, net new investments in corporate bonds and stocks and in commercial mortgages will come to $53.6 billion. Of this, $43 billion will come from pension funds made up of contributions from or on behalf of working people.

This means that a huge 81 percent of all net new investment will come from these reservoirs of money whose ultimate beneficiaries are workers.

The most startling statistic is the one that describes how corporations floating new issues—reaching out for fresh money to set up a facility, to expand or maintain an operation—will be financed. The expectation is that just about all the purchases of new issues, will come from pension funds.

INDIVIDUAL investors will actually end up as minus contributors toward the financing of corporate stock. Business Week estimates that such "individuals" will be withdrawing almost $20 billion while pension funds will be buying more than $21.1 billion.

When it comes to corporate bonds, the pension funds will be investing almost three and a half times as much as commercial banks, thrift banks, casualty companies, and life insurance companies put together, with $15 billion coming from the pension funds and only $4.6 billion from all the others.

It is expected that in the future pension funds will play an even greater role in financing the American economy. The reasons are double:

FIRST, PENSION funds are huge and getting huger. At the end of World War II, the assets of pension funds totaled $5 billion; now they are $800 billion and by 1995 will be $4 trillion.

Second, individual investors—the traditional "capitalists"—are moving their money out of long-term investments and putting their bets on short-term gambles.

What this really means is that the "capitalists" are speculating rather than investing in long-range productive enterprises and that "workers" (or the funds set aside on their behalf) are the true investors, shunning the short-term caper and putting their money into the development of the American economy.

THE IRONY in all this is that, under our tax law, the gamblers get all kinds of tax breaks so they can have more money with which to gamble. But the worker who puts money into a pension fund gets no break at all on his or her contribution, although it is this money—not the quick buck made by the speculator—that is providing the capital for new investments in the economy.

In other words, the capitalist is getting the breaks because he is expected to provide the "capital," which he is not, while workers are treated merely as workers although they are, in effect, the "capitalists."

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Labor Must Make Itself Heard on Hill

We need to make ourselves heard.

Congressmen and senators get a lot of calls from the White House, from corporate headquarters and from right-wing pressure organizations.

They need calls and letters and personal visits from their own constituents, who are the people most affected by the votes they cast.

In the House, 152 of our friends voted to adopt the Obey budget package . . . to ease suffering, rebuild public facilities and provide jobs and job training. Those 152 deserve our thanks and support, and our sober recognition that there are too few of them.

Keep those COPE voting scorecards and use them. If we're going to reward our friends and punish our enemies, we have to know who they are.

—AFL-CIO Sec.-Treas. Thomas R. Donahue at legislative conference of the Paperworkers, May 28, 1982.

Executive Council Statement

Senate Approval of SALT Held Quickest Route to Arms Control

The following statement on Strategic Arms Control was adopted by the AFL-CIO Executive Council, May 27, 1982, Washington, D.C.

THE AFL-CIO SHARES the heightened concern of millions of Americans that the unchecked growth of nuclear arsenals poses a threat to civilization. This concern has been manifest in demonstrations, referenda, and the emergence of a variety of proposals for a "nuclear freeze" and other steps toward arms control.

The AFL-CIO joins with those who seek the end of the nuclear arms race through serious negotiations leading to mutual, balanced and verifiable strategic force reductions which both parties have a compelling interest in observing.

Unfortunately, public protests against nuclear weapons—especially when they pressure only the West—will not, by themselves, lead to our goal of drastically reducing the number of such weapons nor will they bring about a deterrence to their use.

THE EXECUTIVE COUNCIL believes that the proposal it offered in 1979 provides a sound basis for moving toward reducing the threat of a nuclear holocaust. The council therefore urges that:

1. The Senate approve ratification of the SALT II Agreement, with such updating modifications as may be required by the delay in the ratification process, and with the stipulation that:

2. U.S. negotiators be directed, in SALT III (or START), to establish a time limit by which agreement must be reached on significant strategic force reductions, so as to ensure an early test of the seriousness of the negotiations and to avoid their protraction while the arms buildup continues;

3. Senate approval of SALT II stipulate that SALT III (or START) must limit warheads, which SALT II permits to increase dramatically in numbers and accuracy.

As the Council stated in 1979, the U.S. should insist on "the dismantling of warheads to a level of parity significantly (at least 30 percent) below the existing level of the higher party in each leg of the triad. . . . Once these limits are set, the basis will then exist for further annual across-the-board percentage reductions." This formula would broadly resolve the question of parity while simultaneously producing reductions.

IMMEDIATE ratification of SALT II, with the noted modifications, offers the most fruitful beginning toward strategic arms control and reduction. It has already been accepted by the Soviet Union; its terms are being observed by both sides; it has bipartisan support; it does not presuppose parity or prevent the development of any planned U.S. weapons systems; it would require the dismantling of hundreds of Soviet systems; it would reassure the American people and our allies that we are seriously intent on pushing nuclear arms control; and it would provide an interim measure of strategic stability and predictability during negotiations for deeper cuts.

The advocates of a nuclear freeze have made an important contribution in turning public attention to the danger of nuclear war and the urgency of taking steps to curb the arms race. They have performed a service by encouraging public debate and prodding the Administration to give arms control a higher priority on its agenda.

The AFL-CIO believes that our position takes a significant step beyond the proposals for an "immediate" freeze. Such proposals are necessarily tied to the complex and technical issue of parity and would perpetuate the existing theatre nuclear force imbalance in Europe. The SALT II treaty, still before the Senate, provides an immediate opportunity to move quickly toward the control and reduction of strategic arms.

THE EXECUTIVE COUNCIL is under no illusion that the Soviet Union can be trusted to live up to any agreement—unless it is clearly in its interest to do so. It will agree to real arms reductions if it sees the alternative as an American buildup; we must not unilaterally remove that alternative.

It is in the Soviet interest to abide by agreements if violations on its part exact a heavy price. The Soviets have not had to pay a heavy price for their violations of the Helsinki Accord, their invasion of Afghanistan, and the crushing of Solidarity in Poland. Success in arms control requires a reassertion of Western will to use the strong non-military weapons at its disposal to enforce Soviet compliance.

Hitting Where It Hurts

Long-Term Unemployed Face Disaster as Benefits Run Out

CONGRESS AND the Administration are turn- their backs on millions of Americans who, because of recession-bred, record-high unemployment, have been cut off from the meager protection of an unemployment insurance system that even in the best of economic times is inadequate.

That view was expressed in a network radio interview by AFL-CIO social insurance specialist Arleen Gilliam, who said that because of budget slashes adopted last year at least 3.2 million workers who have searched without success for jobs for more than six months have no further unemployment compensation rights.

"We simply don't have what is necessary to keep these long-term jobless workers from facing total economic disaster," Gilliam said.

Worse still, she stressed, the traditional mechanisms that would have somewhat softened the impact of unemployment—food stamps, welfare, job training, public service employment and others —no longer exist or are severely restricted as the result of other budget reductions.

Gilliam, who is an assistant director of the AFL-CIO Dept. of Social Security, was questioned by reporters on Labor News Conference, aired weekly over the Mutual Broadcasting System.

She noted that the business community, as well as the working community, has a direct stake in making it possible for families to meet mortgage and rent payments, buy food and clothing and buy other necessary items during periods of temporary unemployment.

The countercyclical effects of unemployment insurance benefits, she emphasized, result in every dollar "turning over six or seven times in the community." She said that to overlook the important help the program means, especially to small businesses, is short-sighted.

GILLIAM REJECTED the contention that unemployment compensation payments are "a disincentive to work." She noted that in many states, maximum amounts are less than minimum wage income, and in higher-wage industrial states that pay higher benefits, the maximum amounts are far less than the statewide average weekly wage.

Average weekly benefits in the various states range anywhere from $72 a week to about $122 a week, she observed. In the current recession, these benefits do not begin to provide adequate replacement of income for higher wage earners who are being laid off, Gilliam added.

"Even in terms of maximum weekly benefit amounts, while there have been improvements over the years, those are still insufficient," she said.

Reporters questioning Gilliam on the AFL-CIO-produced public affairs program were Ben Rathbun of the Bureau of National Affairs and Robert Cooney of Press Associates, Inc.

Washington Window

By Press Associates, Inc.

EVERY YEAR, an estimated 14,000 workers die in industrial accidents, approximately 100,000 die from job diseases, and millions more are disabled.

These are real people, yet one wouldn't know it from the way the Reagan Administration is slashing workplace inspections and weakening standards. Thus it was a sobering reminder of reality when a few victims related their experiences before the recent AFL-CIO Conference on Occupational Safety & Health.

Barbara Angle, a member of United Mine Workers Local 1829, was a young West Virginia coal miner with a one-year-old child when she was assigned to drive a coal shuttle car—"an underground version of a Mack truck," she called it.

Weighing 18 tons unloaded, the huge shuttles often clear the walls of narrow mine tunnels by inches. Since the shuttles are not equipped with lights, miners have to lean out of the cars and use their helmet lamps to see ahead in the darkest parts of the tunnels.

On Apr. 19, 1978, Barbara missed the three-inch clearance on a turn and ran the shuttle into a mine rib. The shuttle overturned, trapping her underneath. The shuttle canopy crushed her right arm.

HER CO-WORKERS managed to lift the shuttle enough to get her out, but her arm was badly mangled and required extensive surgery to save it.

Her accident needn't have happened. Barbara said a visiting group of Welsh miners had been amazed that shuttles like the one she drove were still used in American mines. They had long ago been abandoned in Wales because of poor design.

Jimmy Good, business agent for Asbestos Workers Local 11 in Baltimore, couldn't appear before the conference. He had to return to the hospital, but he wrote out his story and his attorney read it to the delegates.

A few months after he became business agent, Jimmy was organizing the files when he came across a stack of death certificates for the local's members.

"I was amazed at how many workers had died of cancer or heart problems," he wrote.

Then he came across his father's death certificate. Like Jimmy, he worked most of his life with asbestos. The doctors had told Jimmy that his father died of heart failure at age 53. But the certificate said his father had died of mesothelioma, a rare cancer that is caused by exposure to asbestos.

JIMMY WAS convinced his co-workers were in danger. He arranged for X-ray screenings at an area hospital. Of the first 60 workers screened, 83 percent had an asbestos-related disorder.

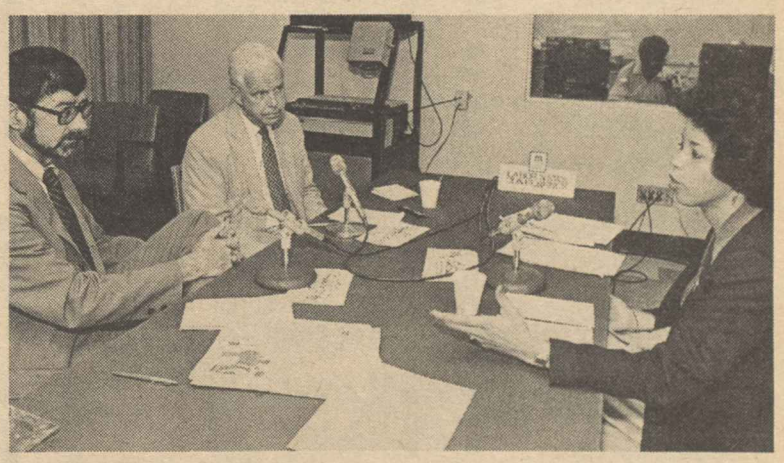
Jimmy said he hadn't intended to take the X-ray because he felt "fine," but other members ribbed him about setting a good example.

So he had an X-ray and it revealed a large mass in his lungs. When the doctors told him it was cancer, "the words crushed me like a 10-ton ball. . . . It seemed like a death sentence," he said.

"I learned it was from exposure to asbestos," he wrote. "The manufacturers knew of the dangers for 40 years, but did nothing to prevent it. I am a victim of the corporation. It killed my father, many of my friends and maybe me."

His doctors think Jimmy's cancer is arrested, but he is still fighting for his life and the lives of other asbestos workers.

None of these tragedies need have occurred. They were preventable. But as Barbara Angle told the delegates, "Nobody's doing nothing—not the company, not the government."



MILLIONS OF JOBLESS Americans are cut off from the meager protection of unemployment compensation because their job search in this record-high unemployment period has stretched beyond the six-month limit intended for much better economic times and White House and Congress refuse to provide emergency help, AFL-CIO Assistant Social Security Director Arleen Gilliam said on Labor News Conference. She was questioned by Ben Rathbun, center, of the Bureau of National Affairs and Robert Cooney of Press Associates, Inc. The AFL-CIO-produced program is aired by Mutual Radio.

House Rollcalls on Key Budget Issues

These are the AFL-CIO's key votes on the budget resolutions considered by the House on May 27.

Column I *shows the 268-152 defeat of the labor-supported budget proposed by Rep. David R. Obey (D-Wis.), which would have expanded job-creating programs and mandated tax reforms to hold down the deficit. Right votes (R) were cast by 144 Democrats and 8 Republicans. Wrong votes (W) against the measure came from 176 Republicans and 92 Democrats.*

Column II *is the 235-192 defeat of the labor-opposed budget introduced by Rep. Delbert Latta (R-Ohio) for the Republican leadership. It would have worsened the recession's hardships. Right votes against the Latta budget came from 215 Democrats and 20 Republicans. Voting wrong were 171 Republicans and 21 Democrats.*

Numerals show congressional districts. A—absent; PR—paired right; PW—paired wrong; P—present but not voting or paired.

	I	II
ALABAMA		
1. Edwards (R)	W	W
2. Dickinson (R)	W	W
3. Nichols (D)	W	W
4. Bevill (D)	W	R
5. Flippo (D)	W	R
6. Smith (R)	W	W
7. Shelby (D)	W	W
ALASKA		
AL Young (R)	W	W
ARIZONA		
1. Rhodes (R)	W	W
2. Udall (D)	R	R
3. Stump (D)	W	W
4. Rudd (R)	W	W
ARKANSAS		
1. Alexander (D)	W	R
2. Bethune (R)	W	W
3. Hammerschmidt(R)	W	W
4. Anthony (D)	W	R
CALIFORNIA		
1. Chappie (R)	W	W
2. Clausen (R)	W	W
3. Matsui (D)	R	R
4. Fazio (D)	R	R
5. Burton, John (D)	A	A
6. Burton, Phillip (D)	R	R
7. Miller (D)	W	R
8. Dellums (D)	R	R
9. Stark (D)	R	R
10. Edwards (D)	R	R
11. Lantos (D)	R	R
12. McCloskey (R)	A	W
13. Mineta (D)	R	R
14. Shumway (R)	W	W
15. Coelho (D)	R	R
16. Panetta (D)	R	R
17. Pashayan (R)	W	W
18. Thomas (R)	W	W
19. Lagomarsino (R)	W	W
20. Goldwater (R)	W	W
21. Fiedler (R)	A	W
22. Moorhead (R)	W	W
23. Beilenson (D)	R	R
24. Waxman (D)	R	R
25. Roybal (D)	R	R
26. Rousselot (R)	W	W
27. Dornan (R)	W	W
28. Dixon (D)	R	R
29. Hawkins (D)	R	R
30. Vacancy		
31. Dymally (D)	R	R
32. Anderson (D)	W	R
33. Grisham (R)	W	W
34. Lungren (R)	W	W
35. Dreier (R)	W	W
36. Brown (D)	R	R
37. Lewis (R)	W	W
38. Patterson (D)	R	R
39. Dannemeyer (R)	W	R
40. Badham (R)	W	W
41. Lowery (R)	W	W
42. Hunter (R)	W	W
43. Burgener (R)	W	W
COLORADO		
1. Schroeder (D)	R	R
2. Wirth (D)	W	R
3. Kogovsek (D)	W	R
4. Brown (R)	W	W
5. Kramer (R)	W	W
CONNECTICUT		
1. Kennelly (D)	R	R
2. Gejdenson (D)	R	R
3. DeNardis (R)	W	R
4. McKinney (R)	W	R
5. Ratchford (D)	W	R
6. Moffett (D)	R	R
DELAWARE		
AL Evans (R)	W	W
FLORIDA		
1. Hutto (D)	W	W
2. Fuqua (D)	W	R
3. Bennett (D)	R	R
4. Chappell (D)	W	R
5. McCollum (R)	W	W
6. Young (R)	W	W
7. Gibbons (D)	W	R
8. Ireland (D)	W	W
9. Nelson (D)	W	R
10. Bafalis (R)	W	W
11. Mica (D)	W	R
12. Shaw (R)	W	W
13. Lehman (D)	R	R
14. Pepper (D)	R	R
15. Fascell (D)	R	R
GEORGIA		
1. Ginn (D)	W	R
2. Hatcher (D)	W	R
3. Brinkley (D)	W	R
4. Levitas (D)	W	R
5. Fowler (D)	W	R
6. Gingrich (R)	W	W
7. McDonald (D)	W	R
8. Evans (D)	W	W
9. Jenkins (D)	W	R
10. Barnard (D)	W	R
HAWAII		
1. Heftel (D)	R	R
2. Akaka (D)	R	R
IDAHO		
1. Craig (R)	W	W
2. Hansen (R)	W	W
ILLINOIS		
1. Washington (D)	R	R
2. Savage (D)	R	R
3. Russo (D)	W	R
4. Derwinski (R)	W	W
5. Fary (D)	R	R
6. Hyde (R)	A	W
7. Collins (D)	R	R
8. Rostenkowski (D)	W	R
9. Yates (D)	R	R
10. Porter (R)	W	W
11. Annunzio (D)	R	R
12. Crane, Philip (R)	W	W
13. McClory (R)	W	W
14. Erlenborn (R)	W	W
15. Corcoran (R)	W	W
16. Martin (R)	W	W
17. O'Brien (R)	W	W
18. Michel (R)	W	W
19. Railsback (R)	W	W
20. Findley (R)	W	W
21. Madigan (R)	W	W
22. Crane, Dan (R)	W	W
23. Price (D)	R	R
24. Simon (D)	R	R
INDIANA		
1. Benjamin (D)	R	R
2. Fithian (D)	R	R
3. Hiler (R)	W	W
4. Coats (R)	W	W
5. Hillis (R)	W	W
6. Evans (D)	R	R
7. Myers (R)	W	W
8. Deckard (R)	W	W
9. Hamilton (D)	W	R
10. Sharp (D)	W	R
11. Jacobs (D)	R	R
IOWA		
1. Leach (R)	W	R
2. Tauke (R)	W	W
3. Evans (R)	W	W
4. Smith (D)	W	R
5. Harkin (D)	R	R
6. Bedell (D)	R	R
KANSAS		
1. Roberts (R)	W	W
2. Jeffries (R)	W	W
3. Winn (R)	W	W
4. Glickman (D)	W	R
5. Whittaker (R)	W	W
KENTUCKY		
1. Hubbard (D)	W	R
2. Natcher (D)	W	R
3. Mazzoli (D)	W	R
4. Snyder (R)	W	R
5. Rogers (R)	W	W
6. Hopkins (R)	W	R
7. Perkins (D)	R	R
LOUISIANA		
1. Livingston (R)	W	W
2. Boggs (D)	W	A
3. Tauzin (D)	W	W
4. Roemer (D)	W	W
5. Huckaby (D)	W	R
6. Moore (R)	W	W
7. Breaux (D)	W	W
8. Long (D)	W	R
MAINE		
1. Emery (R)	W	W
2. Snowe (R)	W	W
MARYLAND		
1. Dyson (D)	R	W
2. Long (D)	W	R
3. Mikulski (D)	R	R
4. Holt (R)	W	W
5. Hoyer (D)	R	R
6. Byron (D)	W	W
7. Mitchell (D)	R	R
8. Barnes (D)	R	R
MASSACHUSETTS		
1. Conte (R)	W	W
2. Boland (D)	R	R
3. Early (D)	R	R
4. Frank (D)	R	R
5. Shannon (D)	R	R
6. Mavroules (D)	R	R
7. Markey (D)	R	R
8. O'Neill (D)	Speaker	
9. Moakley (D)	R	R
10. Heckler (R)	R	R
11. Donnelly (D)	R	R
12. Studds (D)	R	R
MICHIGAN		
1. Conyers (D)	R	R
2. Pursell (R)	W	W
3. Wolpe (D)	R	R
4. Siljander (R)	W	W
5. Sawyer (R)	W	W
6. Dunn (R)	W	R
7. Kildee (D)	R	R
8. Traxler (D)	R	R
9. Vander Jagt (R)	W	W
10. Albosta (D)	R	R
11. Davis (R)	W	R
12. Bonior (D)	R	R
13. Crockett (D)	R	A
14. Hertel (D)	R	R
15. Ford (D)	R	R
16. Dingell (D)	R	R
17. Brodhead (D)	R	R
18. Blanchard (D)	R	R
19. Broomfield (R)	W	W
MINNESOTA		
1. Erdahl (R)	W	W
2. Hagedorn (R)	W	W
3. Frenzel (R)	W	W
4. Vento (D)	R	R
5. Sabo (D)	R	R
6. Weber (R)	W	W
7. Stangeland (R)	W	W
8. Oberstar (D)	R	R
MISSISSIPPI		
1. Whitten (D)	W	R
2. Bowen (D)	R	R
3. Montgomery (D)	W	W
4. Dowdy (D)	R	R
5. Lott (R)	W	W
MISSOURI		
1. Clay (D)	R	R
2. Young (D)	W	R
3. Gephardt (D)	W	R
4. Skelton (D)	W	R
5. Bolling (D)	R	R
6. Coleman (R)	W	W
7. Taylor (R)	W	W
8. Bailey (R)	W	W
9. Volkmer (D)	W	R
10. Emerson (R)	W	W
MONTANA		
1. Williams (D)	R	R
2. Marlenee (R)	W	W
NEBRASKA		
1. Bereuter (R)	W	W
2. Daub (R)	W	W
3. Smith (R)	W	W
NEVADA		
AL Santini (D)	W	R
NEW HAMPSHIRE		
1. D'Amours (D)	R	R
2. Gregg (R)	W	W
NEW JERSEY		
1. Florio (D)	R	R
2. Hughes (D)	R	R
3. Howard (D)	R	R
4. Smith (R)	W	W
5. Fenwick (R)	A	W
6. Forsythe (R)	W	W
7. Roukema (R)	W	W
8. Roe (D)	R	R
9. Hollenbeck (R)	R	R
10. Rodino (D)	R	R
11. Minish (D)	R	R
12. Rinaldo (R)	R	R
13. Courter (R)	PW	W
14. Guarini (D)	R	R
15. Dwyer (D)	R	R
NEW MEXICO		
1. Lujan (R)	W	W
2. Skeen (R)	W	W
NEW YORK		
1. Carney (R)	W	W
2. Downey (D)	R	R
3. Carman (R)	W	W
4. Lent (R)	W	W
5. McGrath (R)	W	W
6. LeBoutillier (R)	W	W
7. Addabbo (D)	R	R
8. Rosenthal (D)	R	R
9. Ferraro (D)	R	R
10. Biaggi (D)	R	R
11. Scheuer (D)	R	R
12. Chisholm (D)	R	A
13. Solarz (D)	R	R
14. Richmond (D)	R	R
15. Zeferetti (D)	R	R
16. Schumer (D)	R	R
17. Molinari (R)	W	R
18. Green (R)	W	R
19. Rangel (D)	R	R
20. Weiss (D)	R	R
21. Garcia (D)	R	R
22. Bingham (D)	R	A
23. Peyser (D)	R	R
24. Ottinger (D)	R	R
25. Fish (R)	W	W
26. Gilman (R)	W	R
27. McHugh (D)	R	R
28. Stratton (D)	W	R
29. Solomon (R)	W	W
30. Martin (R)	W	W
31. Mitchell (R)	W	W
32. Wortley (R)	W	W
33. Lee (R)	W	W
34. Horton (R)	W	W
35. Conable (R)	W	W
36. LaFalce (D)	R	R
37. Nowak (D)	R	R
38. Kemp (R)	W	W
39. Lundine (D)	W	R
NORTH CAROLINA		
1. Jones (D)	W	R
2. Fountain (D)	W	R
3. Whitley (D)	W	R
4. Andrews (D)	W	R
5. Neal (D)	A	R
6. Johnston (R)	W	W
7. Rose (D)	W	R
8. Hefner (D)	W	R
9. Martin (R)	W	W
10. Broyhill (R)	W	W
11. Hendon (R)	W	W
NORTH DAKOTA		
AL Dorgan (D)	W	R
OHIO		
1. Gradison (R)	W	W
2. Luken (D)	W	R
3. Hall (D)	W	R
4. Oxley (R)	W	W
5. Latta (R)	W	W
6. McEwen (R)	R	W
7. Brown (R)	A	W
8. Kindness (R)	W	W
9. Weber (R)	W	W
10. Miller (R)	W	W
11. Stanton (R)	A	W
12. Shamansky (D)	W	R
13. Pease (D)	R	R
14. Seiberling (D)	R	R
15. Wylie (R)	W	W
16. Regula (R)	W	W
17. Vacancy		
18. Applegate (D)	R	R
19. Williams (R)	R	R
20. Oakar (D)	R	R
21. Stokes (D)	R	R
22. Eckart (D)	R	R
23. Mottl (D)	R	R
OKLAHOMA		
1. Jones (D)	W	R
2. Synar (D)	W	R
3. Watkins (D)	W	R
4. McCurdy (D)	W	W
5. Edwards (R)	W	W
6. English (D)	W	R
OREGON		
1. AuCoin (D)	R	R
2. Smith (R)	W	R
3. Wyden (D)	R	R
4. Weaver (D)	R	R
PENNSYLVANIA		
1. Foglietta (D)	R	R
2. Gray (D)	R	R
3. Smith (D)	R	R
4. Dougherty (R)	W	R
5. Schulze (R)	W	W
6. Yatron (D)	R	R
7. Edgar (D)	R	R
8. Coyne, James (R)	W	W
9. Shuster (R)	W	W
10. McDade (R)	R	W
11. Nelligan (R)	W	W
12. Murtha (D)	R	R
13. Coughlin (R)	W	W
14. Coyne, William (D)	R	R
15. Ritter (R)	W	W
16. Walker (R)	W	W
17. Ertel (D)	R	R
18. Walgren (D)	R	R
19. Goodling (R)	W	W
20. Gaydos (D)	R	R
21. Bailey (D)	R	R
22. Murphy (D)	A	R
23. Clinger (R)	W	W
24. Marks (R)	W	R
25. Atkinson (R)	R	W
RHODE ISLAND		
1. St Germain (D)	R	R
2. Schneider (R)	R	R
SOUTH CAROLINA		
1. Hartnett (R)	W	W
2. Spence (R)	W	W
3. Derrick (D)	W	R
4. Campbell (R)	W	W
5. Holland (D)	W	R
6. Napier (R)	W	W
SOUTH DAKOTA		
1. Daschle (D)	R	R
2. Roberts (R)	W	W
TENNESSEE		
1. Quillen (R)	W	W
2. Duncan (R)	W	W
3. Bouquard (D)	W	R
4. Gore (D)	R	R
5. Boner (D)	W	R
6. Beard (R)	W	W
7. Jones (D)	W	R
8. Ford (D)	R	R
TEXAS		
1. Hall, Sam (D)	W	W
2. Wilson (D)	W	R
3. Collins (R)	W	W
4. Hall, Ralph (D)	W	W
5. Mattox (D)	P	R
6. Gramm (D)	W	W
7. Archer (R)	W	W
8. Fields (R)	W	W
9. Brooks (D)	W	R
10. Pickle (D)	W	R
11. Leath (D)	W	W
12. Wright (D)	W	R
13. Hightower (D)	W	W
14. Patman (D)	W	R
15. de la Garza (D)	W	R
16. White (D)	W	W
17. Stenholm (D)	W	W
18. Leland (D)	R	R
19. Hance (D)	W	R
20. Gonzalez (D)	W	R
21. Loeffler (R)	W	W
22. Paul (R)	W	W
23. Kazen (D)	W	R
24. Frost (D)	R	R
UTAH		
1. Hansen (R)	W	W
2. Marriott (R)	W	W
VERMONT		
AL Jeffords (R)	W	R
VIRGINIA		
1. Trible (R)	W	W
2. Whitehurst (R)	W	W
3. Bliley (R)	W	W
4. Daniel, Robert (R)	W	W
5. Daniel, Dan (D)	W	W
6. Butler (R)	W	W
7. Robinson (R)	W	W
8. Parris (R)	W	W
9. Wampler (R)	W	W
10. Wolf (R)	W	W
WASHINGTON		
1. Pritchard (R)	W	W
2. Swift (D)	R	R
3. Bonker (D)	R	R
4. Morrison (R)	W	W
5. Foley (D)	W	R
6. Dicks (D)	R	R
7. Lowry (D)	R	R
WEST VIRGINIA		
1. Mollohan (D)	R	R
2. Benedict (R)	W	W
3. Staton (R)	W	W
4. Rahall (D)	PR	R
WISCONSIN		
1. Aspin (D)	R	R
2. Kastenmeier (D)	R	R
3. Gunderson (R)	W	W
4. Zablocki (D)	R	R
5. Reuss (D)	R	R
6. Petri (R)	W	W
7. Obey (D)	R	R
8. Roth (R)	W	W
9. Sensenbrenner (R)	W	W
WYOMING		
AL Cheney (R)	W	W

UAW Suit Hits Closeout of Job Training

The Auto Workers filed suit in U.S. District Court for the District of Columbia to require Labor Sec. Raymond J. Donovan to provide training benefits for thousands of workers laid off as a result of the rising volume of imports.

The union contends that Donovan violated the Trade Act of 1974 when he determined that training for eligible participants may be denied if sufficient funds are not available.

THE UAW is seeking an injunction that would force Donovan to notify all state agencies processing applications for benefits under the Trade Act that availability of funds is not to be considered in determining whether to approve a workers' training program under the provisions of the law.

The union also seeks an order for resumption of benefits that were terminated as of last Oct. 1 and payment for training for workers who became eligible or would have become eligible for benefits after that date. The UAW estimated that some 15,000 of its members and thousands of workers in other industries would be affected by such an order.

The suit came just two days after Representatives Don J. Pease (D-Ohio) and Sam Gibbons (D-Fla.) introduced a bill in the House to make the government live up to its commitments to train workers who lost their jobs due to the impact of imports on their industry.

Denial of benefits for training, the UAW says, is the result of Donovan's instructions to cooperating state agencies last November that training should be approved if criteria under the law were satisfied and also if "sufficient funds allocated to pay the costs of such training are available."

ASIAN-AMERICAN FREE LABOR INSTITUTE annual meeting gets a report on 1981 developments in Asia and the Middle East and their impact on the institute's programs from AAFLI Executive Director Morris Paladino. AAFLI is an auxiliary of the AFL-CIO. Federation President Lane Kiirkland chaired the Washington meeting. Other board members present included AFL-CIO Vice Presidents J. C. Turner, John Lyons, and David J. Fitzmaurice.

Connecticut Labor Registers Gains in Worker Protections

Hartford, Conn. — The Connecticut AFL-CIO pushed through improvements in jobless benefits, workers' compensation coverage and new occupational health safeguards during the 1982 session of the state legislature which ended recently.

At the same time, labor succeeded in blocking attempts by the employers' lobby to reinstate a waiting week before the unemployed can start collecting benefits, State AFL-CIO Sec.-Treas. Betty L. Tianti reported.

THE LEGISLATURE'S action on the jobless benefits will raise the weekly maximum payment by $10 to $156 this July and to $168 in October 1983, with $12 annual increases continuing in subsequent years. Previously, maximum benefit increases were limited to $6 a week.

Tianti, who is also the state federation's legislative agent, said the change will add an estimated $3 million in unemployment payments during the next six months.

Connecticut also joined the growing list of states to enact a "right-to-know" law, which requires employers to inform workers about the contents and hazards of some 400 toxic substances they may encounter on the job. The governor signed the bill in late May.

The AFL-CIO initiated the state-level campaign for right-to-know laws after the Reagan Administration scrapped a federal toxic labeling standard proposed during the Carter Administration.

IMPROVEMENTS in workers' compensation include a boost in weekly minimum benefits and a requirement that employers continue health and life insurance for workers and their dependents during their disability.

In other action, the legislature barred investments in South Africa by the state employees pension fund to protest the country's human rights and worker violations, extended collective bargaining rights to part-time state employees and rejected labor-opposed changes in construction trades licensing boards. Also signed by Gov. O'Neill was a bill giving municipal employees the right to bargain over promotion procedures.

NLRB Adopts New Tactic on Union-Busting

(Continued from Page 1)

In a companion decision issued at the same time as the Conair ruling, all five members of the board declined to issue a bargaining order. The case involved United Supermarkets, Inc., a Texas chain with principal offices in Lubbock, and Retail Clerks Local 368.

In the Conair case, the board found that after ILGWU Local 222 launched its organizing campaign in April 1977, management undertook a campaign of employee intimidation in its efforts to defeat the union. It called meetings on numerous occasions, promising benefits to workers and threatening them with a loss of benefits if workers supported or sought assistance from the union. Top company officials also threatened to close the Edison plant and move production to a factory in Hong Kong in which Conair had an interest.

A STRIKE to protest unfair labor practices followed, and Conair fired all strikers and offered non-strikers increased benefits and improved working conditions. The firm conditioned the return of striking employees on their signing away of statutory self-organizational rights. Some strikers eventually were reinstated only to be treated as new hires with no seniority, then discharged later because of previous involvement in protected activities.

After more than five months, the union gave up the strike. As an NLRB representation election neared, Conair continued its unlawful conduct, implementing a profit-sharing plan for non-union workers only, engaging in coercive interrogation, soliciting grievances, and promising better conditions for deserting the union while again threatening to shut down the plant if Local 222 won.

Despite the employer's misconduct, about a third of the voters still cast ballots in the election favoring representation by the ILGWU, the NLRB majority observed.

IN THE ONE previous case where the facts were similar to the Conair case—a 1979 NLRB decision involving the United Dairy Farmers Cooperative Association—the board declined to issue a bargaining order because the union involved had failed to obtain a card majority.

Upon review, however, the 3rd Circuit Appeals Court remanded the case and directed the board to consider whether a bargaining order should be issued. The NLRB then found that United Dairy's behavior had "completely foreclosed the possibility of a fair election" and that even though the union had failed to demonstrate majority support, a bargaining order was justified.

Key Senate Votes on Budget Issues

The Senate on May 21 adopted an Administration-endorsed budget resolution that curtails domestic programs but leaves scheduled tax windfalls for the wealthy intact. Following are three key votes on amendments:

Vote No. 1 *killed a labor-supported effort by Sen. Robert C. Byrd (D-W.Va.) to fund an additional 13 weeks of extended unemployment insurance for workers whose benefits have run out. It was tabled 52-42.*

Vote No. 2 *was in accord with labor's position. A 53-44 majority of the Senate stuck with a previous decision to continue full cost-of-living protection for retired railroad workers.*

Vote No. 3, *taken May 19, shows the 60-39 defeat of an attempt by Sen. Daniel Patrick Moynihan (D-N.Y.) to restore $2.6 billion in Medicare and Medicaid funds so that costs to patients would not rise.*

In all three rollcalls, R shows "right" votes from labor's viewpoint, W shows "wrong" votes. PR is paired right; PW—paired wrong; A—absent and not paired.

	1	2	3
ALABAMA			
Denton (R)	W	W	W
Heflin (D)	R	R	R
ALASKA			
Murkowski (R)	W	W	W
Stevens (R)	W	W	W
ARIZONA			
Goldwater (R)	W	W	W
DeConcini (D)	R	R	W
ARKANSAS			
Bumpers (D)	R	R	R
Pryor (D)	R	R	R
CALIFORNIA			
Cranston (D)	R	R	R
Hayakawa (R)	W	W	W
COLORADO			
Hart (D)	R	R	R
Armstrong (R)	W	W	W
CONNECTICUT			
Weicker (R)	R	R	R
Dodd (D)	R	R	R
DELAWARE			
Roth (R)	W	R	W
Biden (D)	R	R	R
FLORIDA			
Chiles (D)	W	R	R
Hawkins (R)	W	R	W
GEORGIA			
Nunn (D)	R	R	W
Mattingly (R)	W	W	W
HAWAII			
Inouye (D)	R	R	R
Matsunaga (D)	R	R	R
IDAHO			
McClure (R)	W	W	W
Symms (R)	W	W	W
ILLINOIS			
Percy (R)	W	W	W
Dixon (D)	R	R	R
INDIANA			
Lugar (R)	W	W	W
Quayle (R)	W	W	W
IOWA			
Jepsen (R)	W	W	W
Grassley (R)	W	W	W
KANSAS			
Dole (R)	W	W	W
Kassebaum (R)	W	W	W
KENTUCKY			
Huddleston (D)	PR	A	R
Ford (D)	R	R	R
LOUISIANA			
Long (D)	W	R	R
Johnston (D)	PW	R	R
MAINE			
Cohen (R)	W	W	W
Mitchell (D)	R	R	R
MARYLAND			
Mathias (R)	W	R	W
Sarbanes (D)	R	R	R
MASSACHUSETTS			
Kennedy (D)	R	R	R
Tsongas (D)	R	R	R
MICHIGAN			
Riegle (D)	R	R	R
Levin (D)	R	R	R
MINNESOTA			
Durenberger (R)	R	R	W
Boschwitz (R)	W	W	W
MISSISSIPPI			
Stennis (D)	R	R	A
Cochran (R)	W	W	W
MISSOURI			
Eagleton (D)	R	R	R
Danforth (R)	W	W	W
MONTANA			
Melcher (D)	A	R	R
Baucus (D)	R	R	R
NEBRASKA			
Zorinsky (D)	W	R	W
Exon (D)	W	R	W
NEVADA			
Cannon (D)	R	R	R
Laxalt (R)	W	W	W
NEW HAMPSHIRE			
Humphrey (R)	W	W	W
Rudman (R)	W	W	W
NEW JERSEY			
Brady (R)	W	W	W
Bradley (D)	R	R	R
NEW MEXICO			
Domenici (R)	W	W	W
Schmitt (R)	A	A	W
NEW YORK			
Moynihan (D)	R	R	R
D'Amato (R)	W	W	W
NORTH CAROLINA			
Helms (R)	W	W	W
East (R)	W	W	W
NORTH DAKOTA			
Burdick (D)	R	R	R
Andrews (R)	W	R	W
OHIO			
Glenn (D)	R	R	R
Metzenbaum (D)	R	R	R
OKLAHOMA			
Boren (D)	PW	R	W
Nickles (R)	W	W	W
OREGON			
Hatfield (R)	PR	A	W
Packwood (R)	R	W	W
PENNSYLVANIA			
Heinz (R)	R	R	W
Specter (R)	R	R	W
RHODE ISLAND			
Pell (D)	R	R	R
Chafee (R)	R	W	W
SOUTH CAROLINA			
Thurmond (R)	W	W	W
Hollings (D)	R	R	R
SOUTH DAKOTA			
Pressler (R)	W	R	W
Abdnor (R)	W	W	W
TENNESSEE			
Baker (R)	W	W	W
Sasser (D)	R	R	R
TEXAS			
Tower (R)	W	W	W
Bentsen (D)	W	R	R
UTAH			
Garn (R)	W	W	W
Hatch (R)	W	W	W
VERMONT			
Stafford (R)	W	W	W
Leahy (D)	R	R	R
VIRGINIA			
Byrd (D)	W	W	W
Warner (R)	W	W	W
WASHINGTON			
Jackson (D)	R	R	R
Gorton (R)	W	W	W
WEST VIRGINIA			
Randolph (D)	R	R	R
Byrd (D)	R	R	R
WISCONSIN			
Proxmire (D)	R	R	W
Kasten (R)	W	W	W
WYOMING			
Wallop (R)	W	W	W
Simpson (R)	W	W	W

Firestone, Goodyear Tire Pacts Approved

Workers at Firestone Tire & Rubber Co. and Goodyear Tire & Rubber Co. ratified new three-year agreements similar to the pattern settlement approved by B. F. Goodrich Co. employees last month.

The contracts with the Big Four tire firms cover some 42,000 workers. The pattern settlement does not provide general wage increases but does include a cost-of-living contract. It also improves benefits in areas such as pensions and life insurance.

Mismanagement Charged

Public Employees Ask Probe of Printing Office

By Susan Dunlop

The AFL-CIO Public Employee Dept. has called for a congressional investigation of what it called mismanagement of the Government Printing Office by Public Printer Danford L. Sawyer, Jr.

PED Executive Director John F. Leyden urged the hearings in a letter to Sen. Charles McC. Mathias, Jr. (R-Md.), chairman of the Joint Congressional Committee on Printing.

LEYDEN REFERRED to Sawyer's "recent media campaign of distortions and exaggerations concerning the 'overcompensation' of GPO employees" as "a smokescreen to hide his sad stewardship of the nation's oldest and best publishing house."

The committee should look into Sawyer's "poor performance" and his use of government equipment and funds "to mount a massive negative public relations effort directed against his own employees," Leyden urged.

The GPO handles printing for the executive and legislative branches of the federal government, including the Congressional Record, the President's Budget and many government documents, publications and pamphlets. Its budget is based on fees paid by other agencies for its services.

SAWYER, a Florida advertising executive appointed by President Reagan, has charged in press interviews, speeches and nationally distributed mailings that GPO's personnel costs are "outlandish" and "the highest in the western world," and he blamed union workers' wages for "financial losses."

After taking office, Sawyer announced a "furlough" system that would have substantially cut wages. Sawyer rebuffed a call by the 22 unions at the GPO for negotiations over the furloughs, and when the Joint Committee on Printing stepped in and voted to prohibit the furlough plan, Sawyer threatened to ignore the order.

The unions charge that the GPO is not in the red, but is in a similar financial position compared to previous years with the situation likely to improve as the normal annual cycle of government printing orders picks up.

WILLIAM BOARMAN, president of Columbia Typographical Union No. 101, stressed that union printers at the GPO are paid wages directly comparable to union wages in private sector firms.

Leyden pointed out that between 1976 and 1981, privately employed offset printers had annual wage increases of 10.3 percent while comparable workers at the GPO were receiving increases of only 6.5 percent.

Sawyer is correct in saying that the GPO's overhead costs are higher than the private printing industry, Leyden observed, but he said this is the result of "a top-heavy management structure" which Sawyer has aggravated "by hiring more highly-paid professionals to help coordinate his anti-labor PR and marketing activities and by increasing the number of highly paid GPO supergrades."

LEYDEN SAID Congress should prohibit Sawyer from instituting furloughs, reductions-in-force (RIFs) or any other major personnel changes until the Joint Committee on Printing has had time "to thoroughly investigate such actions."

The two-year contract at GPO expires June 18, and the unions at the facility rejected Sawyer's proposal for a flat 22-percent wage cut over three years.

In addition, Sawyer refused to negotiate on the furlough system. He told a meeting of an anti-union group that he thought the committee's prohibition of his plan "has no effect in the law."

IN HIS SPEECH to the Public Service Research Council, an anti-public employee group, Sawyer called for abolition of the Joint Committee on Printing and the concentration of all control over GPO in his hands.

Early this year, the committee overruled Sawyer's plan to close GPO bookstores outside Washington, but the government printing unions said Sawyer is trying to slash the GPO budget in other ways, including stepped-up "contracting-out" of work to private sector firms which could be done as economically, or cheaper, by the GPO.

Under the terms of the 1924 Kiess Act, which Sawyer wants repealed, GPO employees may bargain for wages unlike most other federal workers with the exception of postal employees.

THE GPO UNIONS have asked for a wage increase of 8.5 percent in the first year and 5 percent in the second plus an annual cost-of-living raise in December of each year, capped at 3 percent. Under the law, the negotiations, now at an impasse, have moved to the joint committee which has hired an arbitrator to conduct fact-finding hearings on which the committee will act.

In his letter to Congress, Leyden said an investigation was in order simply on the fact that GPO "was a perennial money-maker" until Sawyer's tenure, and that its operating funds were in the black prior to his taking office.

STRONG OPPOSITION to the re-election of Texaco's chairman to the board of directors of Manufacturers Hanover Corp. was voiced by AFL-CIO Regional Director Michael Mann at the bank's annual stockholders meeting in New York. Opposition to John K. McKinley's election was led by the Oil, Chemical & Atomic Workers, whose Local 4-23 has been on strike in Port Arthur, Tex., since January. A principal issue in the dispute is Texaco's demand that OCAW renounce a federal court ruling that found the company had illegally slashed lump-sum pension payments of retirees. OCAW contends that Texaco has short-changed pensions more than $50 million by the discounting practice.

High Court Denies Review Of Asbestos Victims' Case

The Supreme Court blocked attempts by workers seeking personal injury compensation as victims of asbestos disease in refusing to hear a constitutional challenge to New York state's statute of limitations.

The case involved several former Brooklyn Navy Yard workers or their survivors who sued Johns-Manville and several other asbestos firms for damages.

TWO NEW YORK courts denied their claims on the ground that they were not filed within the three-year limitation after their last exposure to asbestos. But it is not uncommon for asbestos diseases—lung cancer, mesothelioma and asbestosis—to go undetected for 20 years or more after exposure to the toxic mineral.

In another occupational health case, the high court asked the Justice Dept. to submit views on charges that American Cyanamid Co. required women workers to be sterilized in order to retain their jobs at a West Virginia plant.

The company is seeking review of a federal appeals court decision won by the Oil, Chemical & Atomic Workers.

IN THE asbestos case, lawyers for the workers argued that the victims were deprived of their constitutional rights by the court's denial of their claims.

Application of the three-year limitation for product liability cases is unreasonable when asbestos is involved, the attorneys insisted.

Citing the long latency period in the detection of the diseases, "thousands of New York asbestos workers exposed in the 1940s-'60s will attempt suit in future years," they told the justices. But the statute of limitations "will not permit them inside the courthouse door," the lawyers observed.

There are several thousand lawsuits pending across the country against manufacturers and suppliers of asbestos products.

THE AMERICAN Cyanamid case stems from a company policy instituted in 1977 that barred women workers who could bear children from jobs exposing them to certain toxic substances. Five women underwent sterilization to keep their jobs. Those who refused to be sterilized were transferred to lower-paying jobs and lost benefits.

In response to an OCAW complaint, the Occupational Safety & Health Administration cited the company for violating the federal job safety law. But the Occupational Safety & Health Review Commission dismissed the citation.

OCAW won a federal appeals court ruling to obtain a review of the dismissal, but the union delayed further action pending the company's request for a review by the Supreme Court. In asking the Justice Dept. for its views on the dispute, the justices did not indicate whether they would take up the review.

IN OTHER action, the court upheld the firing of 15 Teamster business agents by a newly elected local union president in Toledo, Ohio. The business agents, who had supported the incumbent ousted in the local's election, sought reinstatement in their jobs under provisions of federal labor law.

The justices ruled unanimously that the law, while protecting union members from retaliatory discipline related to union election campaigns, does not protect union staff members.

Economic Signals Weak, Slump in Housing Deepens

A government measure designed to show the trend of future economic performance rose in April for the first time in a year, but analysts cautioned that the increase does not signal an end to the Reagan Recession.

The increase of eight-tenths of 1 percent in the Commerce Dept.'s index of leading economic indicators "is far from a harbinger that the recession is over," AFL-CIO Research Director Rudy Oswald warned. "Some of the indicators that were positive in April have since turned negative—stock prices, for example."

ONLY FIVE of the 10 indicators that make up the monthly index showed an increase in April. Besides stock prices, they were the length of the average workweek, building permits, the money supply, and change in liquid assets.

Four others declined—new orders for consumer goods, crude material prices, plant and equipment orders, and the number of companies receiving slower deliveries from vendors. Initial claims for state unemployment benefits were unchanged.

Commerce Sec. Malcolm Baldrige welcomed the April rise in the index, but noted that most of the strength was in the financial indicators, with little improvement in basic sectors. On the basis of the April report, he said, it would be "premature to draw any firm conclusions about the timing of a business upturn."

OSWALD pointed out that even though Citibank of New York dropped its prime lending rate to 16 percent from 16.5 percent recently—the first lowering of the key rate by a major bank since March—other big banks failed to follow suit. The rate is that which the banks charge their best corporate customers.

"Continued high interest rates have not relaxed their stranglehold on the economy," he said. "High levels of unemployment and the growing number of exhaustees of unemployment insurance benefits offer dramatic evidence of the toll that the recession continues to exact."

Industry analysts blamed high mortgage rates and high prices for a 15.3-percent plunge in sales of new houses in April. There were an estimated 30,000 new homes sold during the month, the lowest rate since the government began gathering single-family home sales data in 1963, the Commerce Dept. said.

EARLIER, the department reported that construction spending fell another six-tenths of 1 percent in April. At the same time, an industry group reported a record number of homeowners—about 100,000—were forced into foreclosure in the first three months of the year, unable either to keep up large monthly payments or sell their houses to avoid a forced sale.

The Mortgage Bankers Association said the foreclosure trend appeared to worsen during the current quarter. Those parts of the country with the highest jobless rates are showing the highest foreclosure rates, the association noted.

Mark Riedy, executive vice president of the bankers' group, said that most of the foreclosures appeared to be linked to expensive, high-interest mortgage loans of the past few years. He blamed the poor housing market for preventing homeowners in financial trouble from selling their houses before foreclosure.

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Widening Slump Sends Jobless Rate Up to 9.5%

Policy Shift Demanded By Kirkland

By James M. Shevis

The nation's steadily rising unemployment rate, up another tenth of 1 percent to 9.5 percent last month, "demonstrates forcefully the need for public policies to provide job opportunities," the AFL-CIO declared.

Federation President Lane Kirkland renewed organized labor's demands for more public-service jobs, aid to the housing and auto industries, and extended benefits for the long-term jobless as unemployment moved to a new post-Depression high in May.

HE ALSO called on President Reagan, the Federal Reserve Board, and Congress to use their credit allocation authority to lower interest rates for productive investments. High interest rates resulting from the Fed's Administration-supported tight-money policies have been largely responsible for the Regan Recession, now nearly a year old.

"Without such actions, the recession will continue to worsen month after month, with high unemployment and more lost output," Kirkland said.

The number of Americans looking for work but unable to find it rose last month to 10.5 million, adjusted for seasonal factors, the Bureau of Labor Statistics reported. At 9.5 percent, the jobless rate was the highest since the United States entered World War II. Unemployment averaged 9.9 percent for all of 1941.

THE JOBLESS rate was 7.4 percent when Reagan took office in January 1981. Since July 1981, when the current recession got under way, some 2.7 million

(Continued on Page 3)

SAMUEL GOMPERS PAPERS microfilm edition is examined by AFL-CIO Sec.-Treas. Thomas R. Donahue while President Lane Kirkland leafs through a guide to the edition. The project's editor and sponsors presented the 144-reel microfilm edition to the AFL-CIO June 4. With Kirkland and Donahue are, left to right, Stuart Kaufman, editor of the papers; W. E. Kirwan, vice chancellor at the University of Maryland; George Vogt of the National Historic Publications & Records Commission, and George Farr, assistant research director of the National Endowment for the Humanities. **(Story, Page 7.)**

Aid to Needy Cut Deeply in House Budget

By David L. Perlman

The House adopted a budget that demands new sacrifices from the needy but preserves virtually intact the generous tax windfalls Congress has voted for the wealthy.

As happened in last year's budget fight, Republicans broke the Democratic majority in the House with the help of the self-described "boll weevils"—conservative Democrats who have aligned themselves with the Reagan Administration.

The conservative coalition victory came on a 220-207 vote.

JUST MOMENTS before, the House had defeated the Democratic budget plan, which the AFL-CIO had endorsed as "the clearly superior alternative." It included $3 billion for job-generating programs to help the nation out of recession. It would have averted a threatened cutoff of extended unemployment benefits in 25 states. And it would have taken at least a step toward tax reform to raise revenues and avoid deep new cuts in Medicaid, family assistance, food stamps and Medicare.

The Democratic plan was defeated, 225-202.

On the first key vote, 39 Democrats voted against their party's position and three Republicans crossed over to support the Democratic budget plan.

THE REPUBLICAN substitute, which was then adopted by the 220-207 margin, drew 46 Democratic votes. But 15 Republicans voted against it. In a comparable situation a year ago, the conservative coalition mustered a 253-176 margin for the Reagan-endorsed budget. At that time, Republican ranks were unbroken and 63 Democrats joined them.

Ironically, the Republican budget adopted by the House was harsher on most social programs than the version rejected two weeks earlier. That was the result of the contradictory "compromises" GOP leaders made in an attempt to win votes. To gain the support of some so-called "moderate" Republicans, the second version restored part of the heavy slashes originally scheduled for Medicare. Instead of slashing $23 billion over three years, the budget resolution would only cut $11.5 billion.

BUT THE restored funds were more than recouped by slashing Medicaid and other programs for the poor deeper than the earlier plan.

This was done to keep Republican right-wingers—who wanted the deficit cut without significant tax increases—from bolting.

Both the Democratic and Republican budgets allowed for an additional 13 weeks of extended unemployment insurance payments in recognition of the fact that the job outlook has worsened while benefits for hundreds of thousands of unemployed are on the verge of running out.

There was one big difference. The Democratic bill anticipated revoking a change

(Continued on Page 3)

ILO Warns Polish Junta To Restore Union Rights

Geneva—The International Labor Organization has warned the Polish military dictatorship that its continued persecution of the banned Solidarity free trade union will only plunge Poland deeper into chaos.

The Soviet Union was isolated as the ILO's Governing Body approved, 45-3, the demand of its Freedom of Association Committee that the Polish government open "real and frank discussions" with the interned trade unionists.

Such discussions are "vital for the return to a normal situation," the committee said after receiving a report describing Poland as being at a "serious impasse" that would not be resolved without a "return to normal trade union activity."

ONLY TWO communist delegates went along with Soviet government representative Dmitri Kolesnik in the show-of-hands vote which he demanded on the committee's findings.

These were largely based on the report of Nicolas Valticos, a highly respected retired ILO official, after a six-day visit the Polish government permitted him to make on behalf of ILO Director Gen. Francis Blanchard.

Valticos has confided privately to several associates that only after he threatened to cut short his visit and return to Geneva without completing his mission was he given authorization to meet with Lech Walesa, the interned Solidarity leader, for two hours on May 4.

WALESA WAS said in the Valticos report to have complained that he had had "no serious meetings with members of the government for two months."

During the conversation Walesa made clear that Solidarity was ready to cooperate with the government in an effort to overcome the nation's economic plight. "Independence was the essential thing for the trade unions, all the rest was negotiable," he was said to have explained.

Leading off on behalf of the worker delegates in the Governing Body's discus-

(Continued on Page 8)

Congress Prodded to Act On Job Needs, Tax Reform

The AFL-CIO prodded Congress to use the powers of government to put people back to work and end the "economic and social waste" caused by recession and high unemployment.

It's time to turn away from the Reagan Administration's disastrous economic blueprint, AFL-CIO Economist Markley Roberts told a House Banking subcommittee that had invited labor's views on the nation's slumping economy.

"NOW IS THE time for Congress to enact an honest, realistic federal budget that meets America's needs," he urged. It should include job-creating programs plus "tax reform that moves the nation closer to tax justice and closer to adequate tax revenue."

The "social and economic deficit" Congress should be most worried about stems from "too few jobs, too little housing, too few public services and public facilities," Roberts insisted. It results from "too little use of this nation's vast public and private resources to add to the nation's wealth and welfare."

Typical of the Administration's blindness and callousness, Roberts said, is the reduction in unemployment benefits and elimination of job training programs just as "more and more workers are being thrown out into the streets."

ROBERTS URGED early House action on the emergency jobs program sponsored by Rep. Augustus F. Hawkins (D-Calif.)

(Continued on Page 8)

Labor Protests Move to Scuttle Safety Standards

By John R. Oravec

The AFL-CIO will strongly oppose the Reagan Administration's plan to revoke 194 general industry safety and health standards and to lift record-keeping requirements on workplace injuries and illnesses for nearly a half-million employers.

Federation Safety Director George H. R. Taylor said formal protests will be lodged with the Occupational Safety & Health Administration over the continuing campaign to weaken worker protections.

ASSISTANT LABOR Sec. Thorne G. Auchter initiated action to void the nearly 200 consensus standards, contending that they are unenforceable because they contain the word "should" rather than "shall."

Instead of voiding the standards, Taylor said, OSHA could strengthen workplace safety by making the regulations manda-

(Continued on Page 7)

Primaries Shape Lineup for November Ballots

California Democrats picked two proven vote-getters to head their party's ticket in November, New Jersey Republicans rejected a right-wing ideologue's bid for the Senate, and Ohio Democrats denied renomination to a congressman who last year cast key votes for Reagan Administration cutbacks.

But for the most part, incumbents of both parties seeking renomination were easy winners in the nine states that held primaries on June 8, and in a string of primaries held in recent weeks.

An obvious exception was in cases where redistricting forced incumbents of the same party into head-to-head competition. That happened to two sets of Democrats in Pennsylvania, where a Republican legislature drew the congressional district lines, and to a pair of Republicans in California, where Democrats drew up the new districts.

These are some of the primary contests that attracted national interest:

CALIFORNIA — The top-of-the-ticket primary battle was on the Republican side but the best-known candidates are the Democratic winners. Running for the Senate is two-term Gov. Edmund G. Brown, Jr., who won the Democratic nomination by beating writer Gore Vidal among others. He will face San Diego Mayor Pete Wilson, who led a Republican field that included three House members—Paul N. McCloskey, Jr., Barry M. Goldwater, Jr., and Robert K. Dornan—and Maureen Reagan, the President's daughter.

For governor, Los Angeles Mayor Thomas Bradley was the easy Democratic winner and may become the nation's first black governor. A heated Republican primary was won by state Atty. Gen. George Deukmejian.

In California's battle of two incumbent Republican congressmen, the winner was David Dreier whose COPE record in the first session of Congress was 0 right and 15 wrong. He beat Wayne Grisham, who had 1 right, 14 wrong votes by labor's standards.

There was considerable interest and some confusion in the 30th Congressional District, which had been represented by Democrat George E. Danielson until he resigned this year to take a judgeship appointment.

There was a special election to fill the balance of Danielson's term under a procedure in which all candidates would run and if no one received a majority, a runoff would be held between the top Democrat and the top Republican. COPE-Backed Democrat Matthew G. Martinez led the field and will face Republican Ralph Ramirez in the July 13 runoff.

But the district lines will be changed for the new Congress, so Martinez also sought and won the Democratic nomination in the new 30th District. And there, the Republican candidate in November will be incumbent John H. Rousselot, who is on the far-right fringe of his party. Rousselot would have faced another Republican incumbent as a result of redistricting, so he shifted his candidacy to the open 30th District.

NEW JERSEY—National media attention was on the Republican Senate contest and on Millicent Fenwick, the 72-year-old veteran of four House terms who won it. She beat Jeffrey Bell, a 38-year-old Reagan ideologue. Four years ago, Bell ousted liberal Sen. Clifford P. Case, in the GOP primary, but was soundly beaten in the general election.

In a crowded Democratic field, the Senate nomination went to Frank R. Lautenberg, a party-fund raiser who used television to effectively boost his name recognition.

Among House races, there was special interest in the Trenton area 4th District seat that had long been held by Democrat Frank Thompson, Jr. After Thompson's Abscam indictment in 1980, Republican Christopher H. Smith was the unexpected winner. COPE-backed Joseph P. Merlino, a former state senate president, won the Democratic primary and will try to take back the seat.

OHIO—Incumbent Howard M. Metzenbaum was an easy winner in the Democratic Senate primary. His opponent will be a Republican legislator, Paul E. Pfeifer, who had been given little chance until the death in April of Rep. John M. Ashbrook, the clear favorite.

In the governor's race, former Lt. Gov. Richard F. Celeste won the Democratic nomination and nine-term Congressman Clarence J. Brown is the Republican nominee. Incumbent Gov. James A. Rhodes, a Republican, is ineligible to succeed himself.

There was national interest in the successful, labor-backed effort to defeat four-term Congressman Ron Mottl in the Democratic primary in a suburban area near Cleveland.

Mottl had embraced Reaganomics and was Reagan's staunchest Democratic supporter last year, although some of his recent votes swung back to the Democratic center. He was defeated in a close vote by Edward F. Feighan, who had COPE endorsement.

While Mottl got Democratic Party campaign money in the primary as an incumbent, House Speaker Thomas P. O'Neill, Jr., said the outcome "sends a message to other Democrats" that support of Reaganomics can be politically costly.

IOWA—After five terms, Republican Robert Ray is not seeking re-election as governor, and Democrats see a chance for a pickup. Their candidate is COPE-backed Roxanne Collins, a former U.S. attorney. Lt. Gov. Terry Branstad is the GOP candidate.

In the 3rd District, Democrat Lynn G. Cutler will try to regain the House seat she narrowly lost two years ago to Republican Cooper Evans. Redistricting and the sagging economy should help her.

SOUTH CAROLINA — Incumbent Democratic Gov. Richard Riley will face Republican William D. Workman, Jr., a retired newspaper editor, in November. Runoffs will be necessary to pick Democratic candidates in three of the state's six congressional districts.

VIRGINIA — Most candidates were chosen by party conventions, but a primary in Virginia's 10th Congressional District brought victory to labor-endorsed Ira Lechner over more conservative opponents. He will try to oust Republican Frank R. Wolf, who is seeking a second term.

In state conventions, Democrats turned to Lt. Gov. Richard J. Davis to run for the Senate, and Republicans picked Paul S. Trible, a congressman with a 13 right, 83 wrong COPE record. Sen. Harry F. Byrd, Jr., the conservative incumbent who had been elected as an independent but caucused with the Senate Democrats, announced that he was sticking to his decision not to seek re-election.

MONTANA — Incumbent Sen. John Melcher won more easily than anticipated in the Democratic primary. Republicans nominated Larry Williams, who ran unsuccessfully in a 1978 race for the state's other Senate seat.

ARKANSAS—Former Gov. Bill Clinton, who had COPE support in a runoff for the Democratic gubernatorial nomination, will face incumbent Republican Gov. Frank D. White in November. White narrowly beat Clinton two years ago.

MAINE—Incumbent Sen. George J. Mitchell was unopposed in the Democratic primary and will face Rep. David F. Emery in November.

Democrat Joseph E. Brennan will seek a second term as governor, facing Republican Charles L. Cragin.

PENNSYLVANIA — Redistricting squeezed four Democratic incumbents with similar voting records into two congressional districts.

In the battle of incumbents, Thomas M. Foglietta edged out Joseph F. Smith in the Philadelphia 1st District. And in western Pennsylvania, John P. Murtha defeated Don Bailey for the 17th District nomination.

Two districts without incumbents seeking re-election are rated marginal in the November election. In the Harrisburg area 17th District, incumbent Allen E. Ertel sought and won the Democratic gubernatorial nomination. He will face incumbent Gov. Richard L. Thornburgh, who was unopposed in the GOP primary. In the 21st District, which includes Erie, Republican Marc L. Marks is stepping down for health reasons. Earlier this year, he broke with the Reagan Administration and apologized to his jobless constituents for having voted for the Administration's recession-breeding economic program.

Labor-backed Democrats were nominated in both districts—Larry J. Hochendoner in the 17th and State Sen. Anthony Andrezeski in the 21st.

In the Senate contest, Republican John Heinz, who has had labor support, was unopposed in his party's primary. Democrats nominated Allegheny County Commissioner Cyril H. Wecht.

NEW MEXICO—Right-wing Republican Harrison Schmitt is seeking a second term in the Senate. His Democratic opponent will be COPE-endorsed Jeff Bingaman, the state attorney general who defeated former Gov. Jerry Apodaca in the primary.

Incumbent Democratic Gov. Bruce King is ineligible to succeed himself. Labor-backed Toney Anaya won the Democratic gubernatorial primary and will face a conservative Republican, John Irick, in November.

The two incumbent congressmen, both Republicans, won renomination. Democrats have high hopes of winning in the new 3rd District, which includes Hispanic and Indian areas as well as the city of Sante Fe. Bill Richardson, former executive director of the state Democratic Party, won the primary.

OREGON — Democrats nominated COPE-backed Ted Kulongoski to run for governor against incumbent Republican Victor L. Atiyeh.

All four incumbent congressmen were renominated. But the lone Republican in the group, Denny Smith, chose to seek re-election in the newly-created 5th District. That left his 2nd District seat open and Democrats hope to take it with Larryann Willis, a Democratic national committeewoman, who had labor endorsement.

CLC Condemns Wage Control Moves

Winnipeg, Man.—The 14th convention of the Canadian Labor Congress expressed strong opposition to government-imposed wage controls and union "give-backs" in collective bargaining.

In a toughly worded statement adopted nearly unanimously by the 2,500 delegates, the CLC warned that "in one fell swoop, workers and their trade unions will be hurled back into the 30s" if they agree to wage and benefit concessions.

RESPONDING to various proposals for wage controls by federal and provincial governments, the delegates warned in another resolution that "the trade union movement will not accept that workers be made the scapegoats for disastrous government economic policies that are the real cause of inflation and high unemployment."

The resolution mandated the CLC "to mobilize maximum opposition" to controls "up to and including, after consultation with affiliated unions and provincial federations, a general strike."

Solidarity between public and private sector unions was a watchword of the convention, with the passage of resolutions urging protection of the right to strike and supporting public employee unions in the province of Quebec, where a moratorium on previously negotiated wage increases has been legislated. Delegates also demanded the resignation of the top government negotiator, who has said that public sector wages are too high and should be rolled back.

CLC PRESIDENT Dennis McDermott, who was re-elected by acclamation to another two-year term, charged in his keynote address that wage and benefit concessions are "systematic blackmail of workers." He warned legislators and right-wing economists that the Canadian labor movement "is going to fight back."

"If we thought for one moment that making concessions would help to rejuvenate this economy, we would be prepared to recommend it," McDermott said. "If we thought that further sacrifice on our part would materially assist in our economic salvation, we wouldn't hesitate to advocate it.

AFL-CIO Vice President Murray Finley, who was the federation's fraternal delegate to the convention, told the delegates that the U.S. economy "is very sick indeed," observing that "those in government authority show no sign of taking positive action to improve it or even to prevent it from getting worse."

Finley, who is president of the Clothing & Textile Workers, pointed to the link between the U.S. and Canadian economies, which he noted is so close that "when one is hurt, the other feels almost instant pain."

CANADIAN AND American union members, as well as all the world's workers, "share the same problems, just as they share the same goals," Finley said, adding that "the close ties of mutual concern that exist between the CLC and the AFL-CIO are an excellent foundation on which to build closer cooperation among the trade union movements of the world."

National and international organizations of workers must have a voice in solving such international problems as energy and food shortages, trade barriers and the effects of technological change, Finley declared.

The convention reaffirmed Canadian labor's support for the New Democratic Party after NDP Leader Ed Broadbent received a standing ovation from delegates and observers.

Broadbent told the delegates the Canadian government should adopt an economic policy aimed at lowering interest rates and rebuilding the devastated Canadian manufacturing industry.

RE-ELECTED BY the delegates, in addition to McDermott, were Executive Vice President Shirley Carr and Sec.-Treas. Don Montgomery. Richard Mercier of the Food & Commercial Workers was elected to succeed retiring Executive Vice President Julien Major.

The six vice presidents, elected to new terms are Gerard Docquier of the Steelworkers, W. C. Y. McGregor of the Railway & Airline Clerks, Huguette Plamondon of the Food & Commercial Workers, Grace Hartmen of the Canadian Union of Public Employees, Jack Munro of the Woodworkers and Bob White of the Auto Workers.

The ten vice presidents at-large elected by the delegates are James Buchanan of the Canadian Paperworkers Union, Sam Fox of the Clothing & Textile Workers, John Fryer of the National Union of Provincial Government Employees, Jean Lavalee of the Quebec Federation of Labour construction department, Jean-Claude Parrot of the Canadian Union of Postal Workers, Dave Patterson of the Steelworkers, Fred Pomeroy of the Communication Workers of Canada, Neil Reimer of the Energy & Chemical Workers Union, Mike Rygus of the Machinists, and Pierre Samson of the Public Service Alliance.

Ben Segal Dies at 66, Former Labor Educator

Ben D. Segal, a former union education and international affairs specialist who has been a wage-hour analyst with the Labor Dept. since 1978, died June 4 after a heart attack. He was 66.

Segal headed the education and international affairs department of the Electrical, Radio & Machine Workers during the 1950s and had been on the education staff of the Textile Workers Union of America in the 1940s. He also had served as associate education director of the CIO.

Survivors include his wife Elizabeth and three daughters. A memorial service was held June 11 at the Friends Meeting House in Washington.

To Bolster Organizing

Distillery Workers Vote Boost in Per Capita Tax

Montreal—Confronted by the reality of a 5,000-member loss during the past five years, the Distillery, Wine & Allied Workers' 21st biennial convention unanimously approved a $1 increase in the monthly per capita payments as part of a program that gives top priority to organizing.

The per capita boost, which brings the total to $3.45 a month, involves two adjustments of 50 cents each, effective Sept. 1, 1982, and Sept. 1, 1983. Minimum local union dues were similarly increased, from $10 to $12 monthly, effective June 1, 1982.

OTHER CONSTITUTIONAL changes overwhelmingly approved by the 150 delegates were an increase in strike fund benefits from $35 to $49 weekly, effective June 1, 1982, and the extension of the period between conventions from two to four years, following the 1984 convention scheduled for Miami Beach, Fla.

The latter provision was coupled with a proviso that each of the five regions would hold educational conferences annually to orient local union officers and shop stewards on their responsibilities. Also approved was a slight increase in the separate per capita used for funding the staff pension plan.

The erosion of DWU membership was attributed by President George J. Oneto to the shifting tastes of American consumers in alcoholic beverages—especially the trend toward white wine—and to the negative impact of the Reagan Administration's economic policies which he characterized as "soaking the poor to benefit the rich."

Oneto observed that "the long-festering economic recession has created massive double-digit unemployment and the deterioration of this country's industrial base."

He stressed, however, that this does not justify demands on the part of employers in contractual relations with DWU affiliates for contract "takebacks" and "giveaways."

Reaganomics also came under heavy attack in addresses by DWU Sec.-Treas. George J. Orlando and Robert F. Harbrant, president of the AFL-CIO Food & Beverage Trades Dept.

ORLANDO BLASTED the President's budget cuts as "the last refuge of those who care nothing about the poor, the young, the old and the weak and helpless, let alone the working men and women." He said "we in organized labor strongly object to having not the general welfare, but the almighty dollar be the scale on which we weigh the decision to wipe out a half-century of progress toward social justice."

Harbrant charged that in the pursuit of profit, "health and safety regulations are being stripped from American working men and women" while the government "subsidizes the oil industry and promotes the biggest wave of corporate mergers in our history."

He called for "maximum support" in labor's political activities against a "concerted effort to destroy organized labor in this country."

Other speakers included John Mara, secretary-treasurer of the AFL-CIO Union Label & Service Trades Dept. and Charles Bronfman, chairman of the executive committee of Seagram's, Inc.

OPPOSITION TO increases in excise levies and the need for a more constructive sugar policy were among the policies spelled out in 50 resolutions adopted during the week-long deliberations.

Other resolutions, each adopted unanimously, called for establishment of COPE committees in each local union, and support for the AFL-CIO position against Reagan's dismantling of federal job safety and health programs.

The DWU's political action program was kicked off at the convention and resulted in voluntary contributions equivalent to 50 percent of the union's COPE quota in 1982.

LIVING HISTORY is recalled by 101-year-old Rosina Tucker, narrator of the film, "Miles of Smiles, Years of Struggle," that traces the course of the Brotherhood of Sleeping Car Porters. Mrs. Tucker, wife of one of the original members, helped in early organizing campaigns and administration of the fledgling union, which eventually merged with the Railway & Airline Clerks in 1978. BRAC is a co-sponsor of the film which was screened at a special showing at AFL-CIO headquarters. With Mrs. Tucker are AFL-CIO Civil Rights Director William E. Pollard and Education Director Dorothy Shields.

Survey Reveals 70% Joblessness For Some Crafts

A new survey by the AFL-CIO's Building & Construction Trades Dept. shows that joblessness has soared to between 70 and 90 percent for some crafts in many parts of the United States.

While the official government unemployment rate for the construction industry as a whole jumped to 19.4 percent in April, from 17.9 percent in March, bricklayers in Gadsden, Ala., had an 80 percent jobless rate, the rate for Portland, Ore., carpenters was 70 percent, and for roofers in Pittsburgh the unemployment rate was 75 percent, to cite a few examples of the findings.

THE RESULTS of the nationwide survey were announced by BCTD President Robert A. Georgine at a meeting of the department's governing board. The 15-member panel consists of the presidents of BCTD affiliated unions representing a total of 4.1 million workers.

Georgine said joblessness in the construction industry has spread to virtually every part of the country, to both big cities and small towns, and that many construction workers are leaving their trades altogether.

"The loss of such valuable human resources and the suffering experienced by the workers and their families are irreparable," Georgine said.

"All of these projects will require vast numbers of skilled trades workers, workers who are now being driven from the industry and apprentices who are now being discouraged from seeking work in the industry," Georgine asserted.

The building trades survey was compiled over the first four months of 1982 as the industry plunged into its worst slide since the Great Depression of the 1930s. Georgine said the crisis in the construction industry is "the basic contributing factor to the current recession."

Jobless Rate Reaches 9.5%, New Post-Depression Peak

(Continued from Page 1)

workers have lost their jobs. And unemployment is expected to climb further this month as tens of thousands of high school and college youths seeking summer employment join millions of adults already on layoff.

The entry of a large number of young people into the labor force and another decline in manufacturing activity were the leading causes of the May rise in joblessness, BLS figures showed. The labor force rose sharply, by over one million, to 110.7 million after seasonal adjustment. Total employment increased sharply also, by 777,000, the first substantial rise since the recession began last July. But the net result was an increase of 242,000 in the number of jobless workers.

The true extent of unemployment was far wider than revealed by official statistics, which do not factor in the number of "discouraged" workers and those who are working part-time because they are unable to find full-time employment. If these two groups were made part of the equation, true unemployment in May would have totaled 14,961,000 and the jobless rate would have been 13.4 percent.

Among the major categories of workers, the jobless rates for adult men, 8.4 percent, and teenagers, 23.1 percent, were the highest since BLS began figuring them in 1948. The previous highs, 8.2 percent for adult men and 23 percent for teenagers, were reached in April.

Unemployment among white workers edged up to 8.5 percent in May from 8.4 percent the month before, the highest level since 1954.

BLACK UNEMPLOYMENT climbed to 18.7 percent from 18.4 percent in April, the highest rate since BLS began keeping these statistics a decade ago. The jobless rate for black teenagers rose to a record 49.8 percent from 48.1 percent in April.

The jobless rate among workers of Hispanic origin increased sharply, rising to 13.9 percent in May from 12.5 percent in April. The rates for adult women and full-time workers, at 8.3 and 9.2 percent respectively, remained unchanged from the previous month.

Despite the rise in joblessness, BLS Commissioner Janet L. Norwood saw "some small signs of improvement" in the May unemployment report. More people came into the labor force and found employment, she noted, and the number of hours worked in a week rose slightly, from 34.9 in April to 35 in May. Economists regard a rise in work hours as a healthy sign during a recession because employers tend to lengthen workers' hours before rehiring laid-off employees.

AMONG INDUSTRY categories the jobless rate increased from 11.3 to 11.6 percent in manufacturing, from 10.1 to 10.6 percent in wholesale and retail trade, and from 14.6 to 18.2 percent for farm workers. The rate for construction workers dropped to 18.8 percent in May from 19.4 percent in April.

Funds for Needy Slashed Deeply In House Budget

(Continued from Page 1)

that Congress made last year which will have the effect of ending extended benefits in about half the states—even though unemployment hasn't gone down. The Republican budget had no such provision. Thus, in those states affected by the new formula, workers would not be entitled even to the existing 13 weeks of extended benefits and would lose out also on the additional 13 weeks of payments that would be authorized.

TWO WEEKS earlier, the House had struggled with eight separate budget plans and dozens of amendments under a complex voting system. In the end, no plan mustered a majority.

The deadlock was finally broken under a more restrictive rule that gave the House a simple choice between the budget package supported by the Democratic leadership and the version shaped by the Republicans. If both had been defeated, the House would have then voted on the original Reagan budget which Republicans in both the House and Senate had disavowed nearly unanimously.

The Republican-controlled Senate had previously adopted an even more restrictive budget, and a House-Senate conference will try to mesh the two plans. President Reagan had given his blessing to both the House and Senate versions.

Recession Bypasses Executive Salaries

Recession or not, top executives of large American corporations received huge pay increases in 1981.

In its annual survey of executive compensation, Business Week magazine found that total remuneration of top officers in 288 companies rose an average of 15.9 percent last year, compared with a 13.7 percent jump in 1980. The average pay gain for union workers under major contract settlements in 1981 was 10.1 percent, according to the Bureau of Labor Statistics.

THE HIGHEST-PAID executive in 1981—the year the nation sunk into the current recession—was Roland Genin, executive vice president of operations at Schlumberger, Ltd., who received total compensation of nearly $5.7 million. Frank G. Hickey, president and chief executive officer of General Instruments, was runnerup with a total of $5,261,000.

Salaries and bonuses are only part of what most corporate executives receive. Assorted extras such as stock options and stock-appreciation rights sweeten the pot, often making up the bulk of total compensation. In Genin's case, only $438,000 of his $5.7 million was salary and bonus.

The rest came from one-shot exercises of long-term income bonuses.

So-called "incentive stock options"—new under the Reagan economic program adopted last year by Congress—permit an executive to withhold tax payment until he sells his shares, and then up to $100,000 of his gain is taxed only at the capital gains rate of 20 percent.

OTHER HIGHLY PAID company officers in 1981 included John W. Kluge, chairman and president of Metromedia, $4,231,000; Jean Riboud, chairman and president of Schlumberger, $3,029,000; Harry J. Gray, chairman, president and chief executive of United Technologies, $2,971,000, and Ray C. Adam, chairman and chief executive of NL Industries, $2,904,000.

As the magazine noted in its headline over the article on executive compensation, there was "no sign of recession in pay at the top" last year.

The Polish Oppression

IT HAS BEEN almost six months to the day—Dec. 13, 1981—since Soviet-directed Polish police and security forces swooped down in the night to stamp out Solidarnosc, the first free trade union movement to rise up in a communist-ruled country.

This Sunday, as demonstrations and other activities are held to mark the six-month anniversary of that brutal repression of human rights, we would do well to reflect on two important aspects of the Polish people's plight.

First, the military junta of Gen. Wojciech Jaruzelski has not succeeded in destroying Solidarity, which came to life nearly two years ago as the hope of the whole of Poland's people. The people have not given up that hope.

Last month's May Day demonstrations in Warsaw and other Polish cities showed that the spirit of Solidarity is very much alive and that Poles hunger for the political freedoms that the independent workers' association won for them in the Gdansk agreement of 1980.

SOLIDARITY DID NOT die when it was suspended by the junta. It continues to operate to this day from underground bases, and its clandestine radio station continues to beam messages of hope to Poles, urging them to keep up the pressure for the release of the detained Solidarity leaders and for the restoration of free trade union rights.

The other important point to keep in mind about Poland today is the utter failure of the junta to solve any of the country's social and economic problems.

This must be obvious even to those who six months ago pictured the regime as a moderating force in a nation threatened by financial woes of the greatest magnitude. Those problems remain and, but for the Reagan Administration's rush to cover $71 million owed to American bankers, Poland would already be in default of its financial obligations.

In rescuing the bankers, the Administration transferred the Polish debt to American taxpayers in the face of obvious sentiment in Congress to the contrary. Under an amendment to a supplemental appropriations bill proposed by Senators Daniel P. Moynihan (D-N.Y.) and Robert W. Kasten Jr. (R-Wis.), the Administration would be prohibited from continuing to bail out the Polish military government.

AMERICAN LABOR, which continues its support of the Solidarity trade unionists in every way possible, believes that economic pressure of the sort typified by the Moynihan-Kasten amendment is what is needed now to advance the cause of freedom in Poland.

Soon after martial law was imposed in Poland six months ago, President Reagan announced limited sanctions against the Polish government and promised more if the junta did not relax its iron grip on the country.

Rather than let up, the regime has consolidated itself and shows no sign of releasing Solidarity leader Lech Walesa and other political detainees or resuming a genuine dialogue with Solidarity and the Catholic Church aimed at solving Poland's massive problems.

Six months is too long a grace period for oppression. It is time for the President to match his promises with action.

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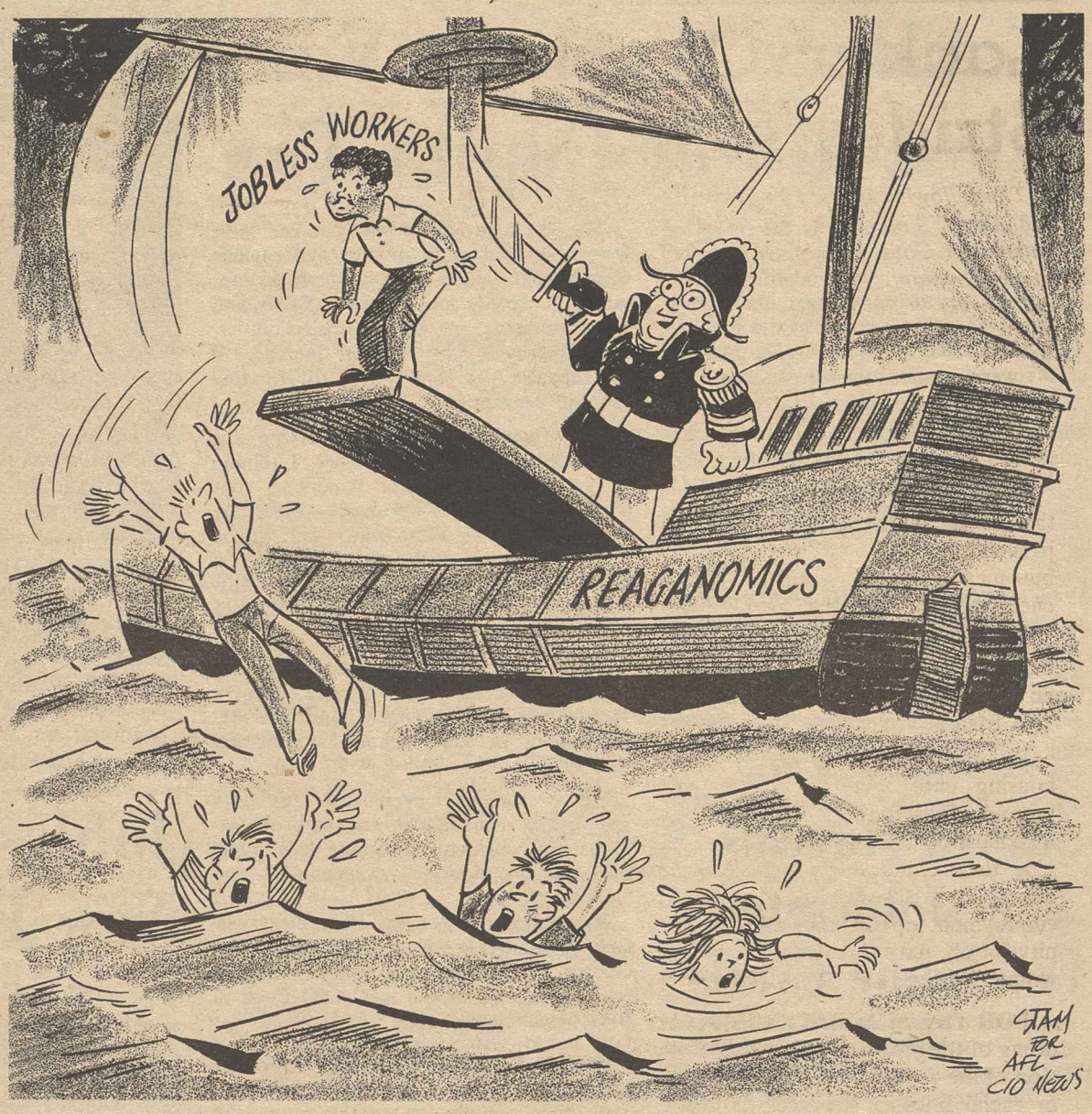

As Economy Sputters

Federal Reserve Challenged On Its Defiance of Congress

By Gus Tyler

IS THE FEDERAL Reserve Board answerable to no one but itself?

That question is getting hot right now in Washington because it is becoming increasingly apparent that the high interest rates—established and perpetuated by the Fed—are responsible for the recession/depression that plagues the economy.

The question as to its "independence" was recently put bluntly to the Fed by Rep. Henry S. Reuss (D-Wis.), chairman of the Joint Economic Committee. In a letter to Paul A. Volcker, chairman of the Board of Governors of the Federal Reserve System, Reuss demanded to know whether the Fed will heed a "directive" from Congress or will go its own sweet way.

REUSS ARGUES, at some length, that Congress created the Fed and that it is responsible to Congress. In his letter, he quotes from past chairmen of the board.

In 1956, then Sen. Paul Douglas of Illinois questioned William McChesney Martin as to whether the Fed was "an agency of the Executive or the agent of Congress." Martin replied: "I regard it as an independent agency of the government." Douglas persisted: "To whom is it responsible? To the Executive or the Congress?" To which Martin replied: "It is responsible to Congress. . . . The indenture of this trusteeship was written by the Congress in the Federal Reserve Act, and can be altered at any time by the Congress."

In 1968, Sen. William Proxmire put a similar question to Chairman Arthur Burns: "You do acknowledge, do you not, only Congress has the constitutional authority to regulate the money supply, and the Federal Reserve is an agent of Congress independent of the Executive branch?"

BURNS ANSWERED plainly: "I have no quarrel with that. I know the Constitution and I am a law-abiding citizen."

Rep. Wright Patman jumped into the colloquy: "I have never been able to find a sentence in the Federal Reserve Act that indicated that the Federal Reserve should be independent of the government. Would you tell me where it is?"

To which Burns replied: "I have not claimed that the Federal Reserve is independent of the government. . . . I have recognized not only in the past but again this very morning that the Federal Reserve is a creature of the Congress, and that it is a servant of Congress."

Reuss summarized his letter with a bold challenge: "In view of the overwhelming weight of law, precedent and past testimony concerning the relationship of Congress to the Federal Reserve, it is vital for Congress to know whether the Federal Reserve will now accede to the directive of Congress, or instead assert that it is a fully independent fourth branch of government accountable to no one."

THIS QUESTION has long been with the country. It has been brought to a head because economic policy in Washington is a two-headed horse with each head heading in an opposite direction.

Fiscal policy—taxes and expenditures—is set by Congress and the President, both of whom claim that they would like to see the economy grow.

Monetary policy—the money supply, including interest rates—is set by the Fed which wants the economy to be restrained.

So we end up with one branch of government stepping on the gas and the other stepping on the brakes and both doing their opposite thing at the same time. That smoke you smell is the brake burning.

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Donahue Cites Shared Goals

Lack of Opportunity Thwarts Strides Toward Racial Justice

The following is from an address by AFL-CIO Sec.-Treas. Thomas R. Donahue to a Catholic Interracial Council dinner in New York honoring Federation Vice President Frederick O'Neal and lawyer William Shea.

FOR THE MOMENT, the immense strides that were made toward racial justice and social unity during and after the civil rights revolution —in which the church and the labor movement played so large a role—have come to a standstill.

I say "for the moment" because I know well that all progress toward these goals is ultimately irreversible. This country will move ahead again, but meanwhile we have to fight with all our energy to retake ground that is being lost.

Bull Connor's dogs and clubs are a thing of the past. I never expect to see again, in any public place, a sign that says "White only," or even "No Irish need apply."

But there will be no end to discrimination in housing until there is enough housing to go around. There will be no end to discrimination in education until all parents can afford to provide their children with all the education they can possibly absorb. And there will be no equal employment opportunity until there is opportunity for all, until there is a job for every man and woman who is able and willing to work.

FOR THE MOMENT, what we face is the undoing of the progress we have made, and the division of the American people along economic lines or racial lines or sex lines or age lines or any other lines that are handy, and the restoration of the frozen, unjust social and economic order of the past.

The vital question is, "Am I my brother's keeper?" The church and the labor movement have always answered with a resounding yes. But those who preach the gospel of supply-side economics say the question is irrelevant.

They have no wish to talk about public health, public education, public welfare as human values or even as public capital investment that enriches and enlarges the society of which we are a part. They think of these things only as consumer expenditures that increase public spending and reduce the return on private capital.

When irresponsible tax concessions to the rich and the corporations have sent the budget deficit into orbit, their solution is to shoot down $40 billion in social security benefits—or at least it was until the Senate rebelled at that solution.

WITH 10½ MILLION human beings desperately looking for jobs that do not exist, they cut emergency job programs, job training programs, public service jobs and unemployment compensation programs, and promise only that things will get better soon.

It was actions like these that led Congressman Henry Reuss of Wisconsin to say that these policies are "not just mistaken; they are wicked." To that I would add that they are deeply, shamefully frivolous.

The real capital of this nation is its human capital. No wealth has ever existed that is not the product of human hands and minds and hearts. To squander that capital by deliberately denying human beings the opportunity to develop to their highest potential is not only morally wrong but something that those responsible look upon as a far worse sin: Imprudent business management.

The American labor movement and the church have long stood together on the questions of this nation's human capital—not really as "capital" but as "humanity."

WE HAVE SHARED the simple goals of equality for all and the recognition of the dignity of every person. Actually those goals are not simple at all. They are simply stated—but their fulfillment has been a central occupation of labor and the churches for many years.

We need the laws and the courts, most assuredly, to set a legal framework for dignity and equality, but we need to shape the minds, hearts and acts of people—we need to truly love one another—if we are ever really going to "assure these rights." We have to keep pressing for dignity and equality and have to keep on pressing against the "outer limits."

After Dec. 13, when the Polish government moved to crush Solidarity, the amazing analyses by some of our commentators was that those brave Polish trade unionists had pressed against the outer limits and tried to achieve too much. It's a line that never made a bit of sense.

For people who seek reform, for those who would disturb the status quo, for those who seek dignity and equality, there are only outer limits. There are no inner limits which fall easily. Every push is against an outer limit that some other person or force has set.

When a worker joins a union and seeks recognition of his dignity on the job, he or she presses against the outer limits of the boss's authority.

WHEN A BLACK seeks the full measure of equality, in any form, he or she presses against the outer limit of some ancient prejudice. When the Poles sought a voice in their state, when the black South African seeks a voice on the job, when the South American peasant fights for land, they all press against the outer limits that some person or group seeks wrongly to impose.

It has to be our business to continually press against those outer limits until they all finally crumble.

In 1983 Budget

Congress Draws Battle Lines On Funding Social Programs

MODERATES IN CONGRESS face an uphill fight to stave off deep cuts in social security and Medicare despite the apparent rejection of conservative demands that sent the House back to the drawing board for a 1983 budget plan, AFL-CIO Social Security Director Bert Seidman said.

Seidman pointed out that whatever budget the House finally adopts will be further tested in the "development of some kind of compromise" with the Senate version that makes "very deep cuts" in health, welfare and other "essential programs that people in this country depend on." He said the House debates and votes did show that the "tremendous outcry" from constituents against the "unmerciful slashes" proposed by the Administration in social security, Medicare and other programs that are critical to the unemployed and disadvantaged is making an impact on Capitol Hill.

He warned that ultra-conservative and New Right forces may make a "now-or-never attempt" as they see their strength waning. But, he declared, "I don't think they represent the mood of the country although they may very well reflect the philosophy of President Reagan." Seidman appeared on the network radio interview Labor News Conference.

SEIDMAN SAID that although the chances for "staving off cuts right now" are improving—at least "the drastic cuts that the Administration proposed"—there is no guarantee that the White House and congressional conservatives won't be right back once the November elections are over.

He also weighed the "political risks in the behavior" of congressional candidates—whether incumbents or challengers—who campaign for "tremendous, unmerciful cuts in basic social programs." Hometown sentiment expressed at the recent series of AFL-CIO conferences confirms that "the American people aren't so dumb—they know what's going on—and that will be reflected in the way they vote in November," Seidman pointed out.

By Press Associates, Inc.

UNEMPLOYMENT is going to be a grim almost common experience in America this year.

Labor Statistics Commissioner Janet Norwood recently urged fellow economists to look behind the jobless figures for a fuller understanding of what they mean.

Typically, she pointed out, the number experiencing unemployment sometime during the year is 2½ to 3½ times larger than the jobless total in a given month. That means that, with 10.5 million unemployed in May, more than 30 million people will suffer some unemployment this year.

WHILE THE FAMILY serves as an important support system for the unemployed, the loss of income weighs heavily on those in poverty. About 17 percent of the unemployed were in families below the poverty line. Of those out of work six months or longer, 30 percent were in families below the poverty line.

Most married-couple families have two or more earners, but an unemployed husband causes family income to drop by one-third and a jobless wife brings an income loss of one-fourth.

A disturbing phenomenon, according to Norwood, is that unemployment tends to "run in families." Because the education and general skills of people in the same family tend to be at comparable levels, when one parent has trouble in the labor market, so does the other. In 1981, the jobless rate for women whose husbands also were unemployed was 17.6 percent, triple the rate of jobless wives with employed husbands. There are an estimated 200,000 families where both husband and wife are jobless.

NORWOOD SAID the most serious financial distress caused by unemployment is in families maintained by women with no husband present. A much greater proportion of such families suffers unemployment—15 percent in 1981 compared with 9 percent of married-couple families.

She said one of every six families is maintained by a woman, and 18 percent of all children live in such a family. The number of female-headed families has soared from less than 5 million in 1960 to nearly 10 million today. More than half of these families are below the poverty line.

A Labor Dept. report on worker earnings in the first quarter of 1982 showed 7.6 million families with an unemployed member, up 16 percent over the year. Of this total, 2.3 million families lacked current earnings of any kind.

The May unemployment report showed the long-term unemployed—those jobless 15 weeks or longer—soaring to 3,286,000.

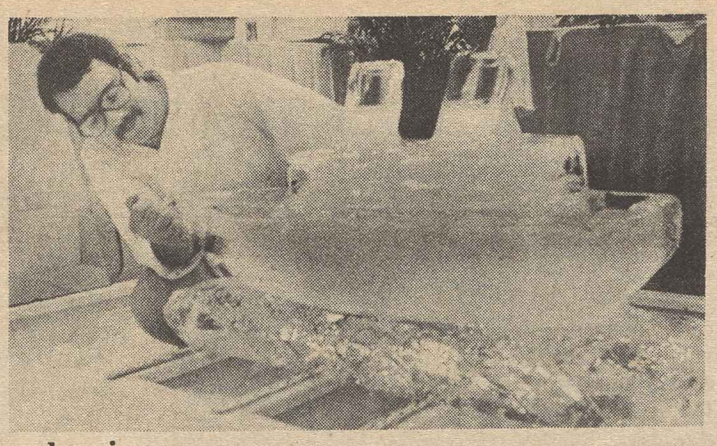
Norwood pointed out that no statistics can adequately portray the emotional and psychological impact of unemployment.

RESEARCHERS AT Johns Hopkins University have done enough work to show a relationship between periods of high unemployment and certain social problems. As common sense and personal experience can tell us, there are increases in family breakdowns, mental illness, crime and delinquency, alcohol and drug abuse and other social ills.

The working poor have suffered the most harm from federal budget cuts, according to a new study at Princeton University which corroborated earlier research. The middle class also has not been immune to a Reagan Recession which has brought record bankruptcies as well as mass unemployment.

There is much work to be done in America. There are constructive programs pending in Congress which would help revive the economy and put people back to work. It is a time for action because society will pay—one way or another.

REJECTION OF conservative demands that sent the House back to ground zero in shaping a 1983 budget plan didn't put social security and Medicare "home free" in the fight to stave off the unmerciful slashes proposed by the Administration, AFL-CIO Social Security Director Bert Seidman said on Labor News Conference. He was questioned by Peggy Simpson, right, of the Boston Herald-American and Judith Randal of the New York Daily News. The AFL-CIO-produced public affairs program is aired weekly on the Mutual radio network.



Talented hands of union workers are behind quality products and services.

Union Label Attracts Thousands in Pittsburgh

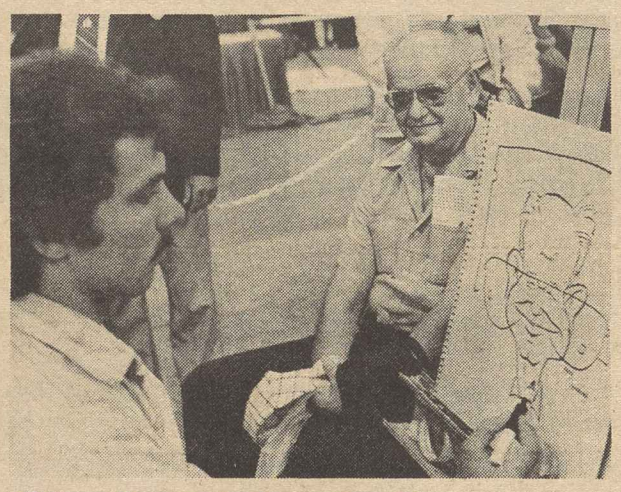
Prizes, souvenirs and drawings for groceries lure crowds to the Food & Commercial Workers exhibit arena.

The AFL-CIO Union-Industries Show, held this year in Pittsburgh, is a unique showcase for the skills of union workers as well as the products they make and the services they provide.

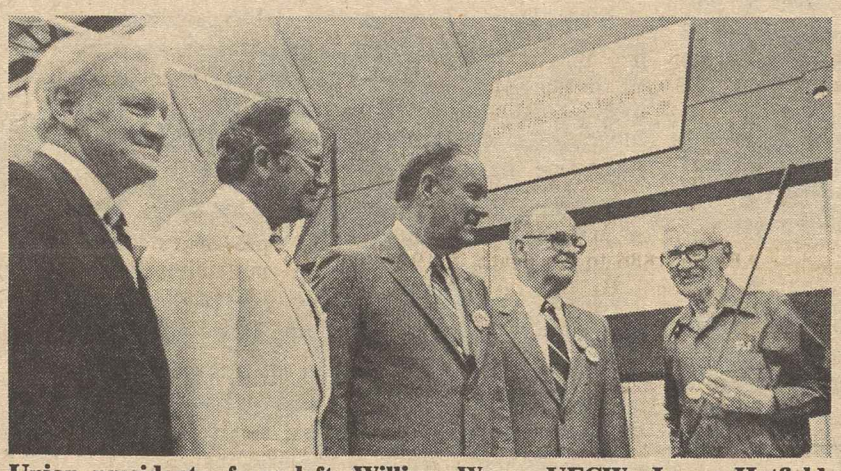
Thousands of visitors attended the six-day free exhibition in the Pittsburgh Convention Center, the 37th in a series produced and managed in a different city each year by the AFL-CIO Union Label & Service Trades Dept.

The show featured more than 300 exhibits prepared by unions and employers, many providing live craft and skill demonstrations and others inviting visitors to try their own hands at a task for fun.

A major purpose of each show is to highlight the benefits to both workers and their employers of good, stable labor-management relations which are the rule in the American collective bargaining system.



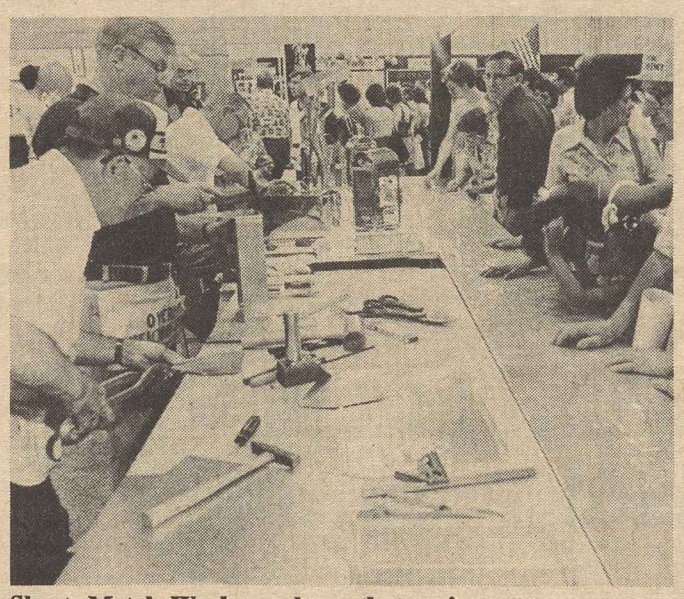
Visitors line up to be captured in a caricature at the Painters "art gallery."



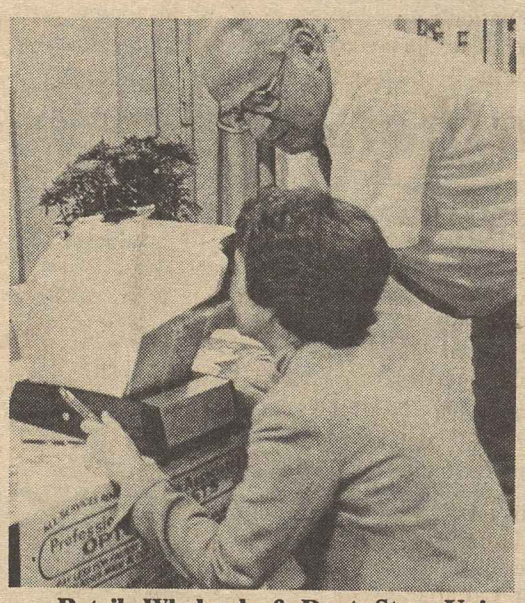
Union presidents, from left, William Wynn, UFCW; James Hatfield, Glass Bottle Blowers, and Lloyd McBride, Steelworkers, join UL&STD Sec.-Treas. John Mara on tour of show, meeting glass-blower Val Hamer.

Scale models provide a close-up look at Operating Engineers' daily jobs.

The magic of chemistry and the benefits of unions share the bill at the Chemical Workers area.



Sheet Metal Workers show that union apprenticeship programs are vital to professional skills and quality construction.



Retail, Wholesale & Dept. Store Union Sec.-Treas. Lenore Miller tests her vision at an RWDSU employer's exhibit.

National competition for top hair stylists was a major show attraction.

New Factory Orders, Home Sales Plunge

The continuing deterioration of the economy was reflected in government reports of a sharp decline in new factory orders and a drop in sales of new single-family houses.

Factory orders plunged 2.3 percent in April to a seasonally adjusted $155.26 billion after rising by 1.3 percent in February and by three-tenths of 1 percent in March, the Commerce Dept. reported.

SEPARATELY, the Commerce Dept. said that new home sales in April fell 15.3 percent to a new low of 315,000 units on a seasonally adjusted annual basis. The previous low of 335,000 house sales was set last September. Sales activity was down in every region of the country, particularly in the South and the north-central area. Housing sales have borne the brunt of high interest rates and have been depressed since last summer.

Robert Ortner, the Commerce Dept.'s chief economist, said that the two reports gave no sign that the recession ended in April, "and there's no reason to believe things turned around in May." Commerce Sec. Malcolm Baldridge said the factory-order figures reflected the ongoing pressure of high interest rates.

Meanwhile, a survey of purchasing agents for the country's leading industrial companies reported a sharp decline in new orders, production, and employment in May, the worst downward turn since last December. The National Association of Purchasing Management said its index measuring these and other factors fell to 35 percent last month. Anything below 50 percent indicates that the economy is in decline.

ALSO, THE level of help-wanted advertising fell in April, the second month of steep decline, the business-oriented Conference Board reported. Kenneth Goldstein, an economist with the board, called the two-month slide one of the sharpest on record.

Goldstein said durable goods manufacturers are being hit the hardest by the recession and generally are not hiring. Service industries are also feeling the effects of the recession, but are still advertising some jobs, he said. Except for the east south-central region, job advertising in the nation's major newspapers has been cut by 10 to 20 percent, he observed.

ORGANIZING DRIVE is launched by the Coalition of Labor Union Women and the AFL-CIO Industrial Union Dept. in a coordinated effort to bring more women in the Washington-Baltimore area into unions. CLUW President Joyce Miller explains the program at a Washington press conference. Seated are Lillian Moss, a former Oil, Chemical & Atomic Workers local president who will coordinate the campaign; IUD Sec.-Treas. Elmer Chatak, and William Boarman, vice president of the Metropolitan Washington AFL-CIO.

Gompers Historical Project Completes Microfilm Edition

The monumental task of assembling and reproducing a mass of records pertaining to Samuel Gompers, the founding president of the American Federation of Labor, reached a milestone June 4 with the presentation of a microfilm edition of some 300,000 pages of documents on the Gompers era to AFL-CIO President Lane Kirkland.

The edition contains 144 reels of microfilm of documents relating to Gompers' tenure in office from the founding of the AFL in 1886 to his death in 1924. All of the original records are held at AFL-CIO headquarters in Washington or by the Wisconsin State Historical Society.

THE MAIN OBJECTIVE of the Gompers project, launched eight years ago under the direction of historian Stuart B. Kaufman, is to make the Gompers records widely available and freely accessible to scholars and researchers. The project will also publish a 12-volume edition of selected Gompers papers. Finishing touches are being given the first volume, to be published by the University of Illinois Press within 12 to 18 months.

The idea of the printed edition of Gompers' papers is to produce a record "that anyone interested in labor's heritage can pick up and see a mosaic picture of its key formative years," said Kaufman, an associate professor of history at the University of Maryland.

The Gompers papers include a wide range of documents dating to the first AFL president's era. Among these are records pertaining to issues considered at AFL conventions, correspondence between the federation and national and international unions, documents relating to jurisdictional disputes, and Gompers' own files.

WHILE THE AFL-CIO and the Wisconsin State Historical Society were the primary sources of the documents, other papers came to the project's editors in a circuitous manner. One group, which Kaufman has dubbed the "shoebox letters," was "just a stroke of luck to us," he said.

The 150 handwritten letters from Gompers to Gabriel Edmonston and P. J. McGuire, elected treasurer and secretary, respectively, of the AFL at its founding convention in 1886, were in a shoebox in a shopping bag found by a woman in the basement of her Salt Lake City home six years ago. She turned over the find to the business agent of her local union, who in turn passed it on to the AFL-CIO, which turned them over to Kaufman.

The Gompers project is sponsored by the National Historical Publications & Records Commission, the National Endowment for the Humanities, and the University of Maryland. The AFL-CIO also has given it support.

Twenty-seven major libraries in the country have already purchased the microfilm edition.

Labor Scores Move to Scrap Safety Rules

(Continued from Page 1)

tory with the substitution of the word "shall" for the word "should."

Taylor also suggested that Auchter's intention to revoke standards could be in conflict with a provision of the 1970 federal job safety law.

That provision requires an explanation from the Secretary of Labor as to how the adoption of a new OSHA regulation that differs from an existing consensus standard "will better effectuate the purposes of this Act."

THE STANDARDS targeted for elimination cover a wide range of workplace hazards such as explosives, flammable materials, gases, noise control, non-ionizing radiation, personal and machinery protective devices, and certain industries, including sawmills, paper mills and textile facilities.

OSHA adopted the consensus standards under directions from Congress when the federal job safety agency became operational in 1971. They were mostly derived from standard developed by the American National Standards Institute and the National Fire Protection Association.

Auchter said the standards have not stood up to challenges by employers in federal appellate court or before the Occupational Safety & Health Review Commission.

HE ALSO said the proposal to eliminate record-keeping requirements for some 475,000 employers "is in keeping with President Reagan's promise to lift unnecessary federal burdens off the backs of the American people."

More than 18 million workers in retail trade, finance, insurance, real estate and service industries would be affected by the blanket exemption.

Although the rate of occupational injury and illness is generally lower in these industries, Taylor observed, "people die in those workplaces just as in any place else."

He said an arbitrary decision to eliminate OSHA coverage for millions of workers should not be allowed.

Taylor pointed out that union representatives on the Labor Advisory Committee of the Bureau of Labor Statistics unanimously rejected the OSHA proposal last month.

IN CALLING for the elimination of record-keeping, Auchter cited OSHA statistics showing that 94 percent of the employers in the lower-risk industries report fewer than two injuries per year. Nearly 80 percent of the industries in the retail-finance-service category were relieved of record-keeping requirements in 1977 when OSHA established a cutoff for workplaces with 10 or fewer workers.

The exempted industries would still be subject to OSHA inspections in response to worker complaints or in the investigation of work-related fatalities, multiple hospitalizations and imminent danger situ-

The proposed exemptions would take effect next Jan. 1, OSHA said.

Catholic Interracial Award Presented to Fred O'Neal

New York—AFL-CIO Vice President Frederick O'Neal was given the John LaFarge Award for Interracial Justice by the Catholic Interracial Council of New York.

O'Neal, who is president of the Actors & Artistes, is chairman of the AFL-CIO Executive Council's civil rights committee.

THE AWARD is named for Father John LaFarge, who for many years edited the Jesuit magazine, America. In 1934, Father LaFarge and other Catholic social activists founded the interracial council for the purpose of combating racial and religious bias.

New York attorney William Shea also received the award at the council dinner.

O'Neal told the gathering he had served as Father LaFarge's altar boy in the late 1930s, and he recalled the priest's monthly hour-long forums on social issues.

"I learned from Father LaFarge," O'Neal said, "that we are all debtors to generations past. We cannot repay our debt to those who served before our time, but we must try and make our own contribution to generations present and generations future."

AFL-CIO SEC.-TREAS. Thomas R. Donahue, a keynote speaker at the ceremony, emphasized that the history of the civil rights struggle for dignity and equality is impressive, "but it is also a story of unfinished work."

Strides toward racial justice and social unity have come to a standstill "for the moment," Donahue said, adding that the nation is facing "an undoing of progress."

He stressed that progress toward civil rights goals is "ultimately irreversible" and that "the country will move ahead again, but meanwhile we have to fight with all our energy to retake ground that is being lost."

In a reference to the social and economic policies of the Reagan Administration, Donahue said, "They have no wish to talk about public health, public education, public welfare as human values or even as public capital investment that enriches and enlarges the society of which we are a part.

"They think of these things only as consumer expenditures that increase public spending and reduce the return on private capital," he stressed.

THE NATION'S real capital is its human capital, Donahue said. He emphasized that churches and the trade union movement must keep pressing for "dignity and equality" against all limits wrongly imposed by others "who try to retard our progress."

Earlier, O'Neal was awarded a doctorate in humanities from the college his father had attended in the late 1800s, Tougaloo College in Tougaloo, Miss.

Six Unions Ratify Amtrak Contracts

Six unions representing nonoperating personnel employed by Amtrak—the National Railroad Passenger Corp.—ratified new 39-month contracts improving wages, fringe benefits, and work rules.

The agreements covering some 11,000 of the railroad's 18,000 unionized workers were approved by members of the International Brotherhood of Electrical Workers, Maintenance of Way Employes, Machinists, Boilermakers & Blacksmiths, Railway & Airline Clerks, and the Joint Council of Carmen.

Talks with nine other unions representing Amtrak employees are continuing. Workers who actually operate the trains are not employed by Amtrak directly.

Each of the new contracts contains identical provisions on wages, fringe benefits, and establishment of a joint labor-management productivity council, but the work rule revisions are tailored separately in each agreement to meet the specific conditions.

The Amtrak contracts provide wage increases of up to 18.7 percent for the average worker over the life of the contract. The increases are retroactive to July 1, 1981, and will run through June 30, 1984.

The joint labor-management productivity council is designed to resolve minor disputes and as a device for encouraging worker input on productivity improvements. Amtrak President Alan S. Boyd said the council provides labor "a clearly defined involvement in the management of the nation's rail passenger system."

ILO Attacks Polish Junta On Union Ban

(Continued from Page 1)

sion on Poland, A. M. Issifu, secretary general of the Ghana Trade Union Congress, deplored the absence of "any visible signs of progress" in the Polish situation since the last session in March.

THERE HAS been "no reciprocity" from the government to the interned trade unionists' call for a "constructive dialogue," he said.

African, Latin America and Asian worker delegates all joined in condemning the attempts by Kolesnik and other Soviet bloc spokesmen to brand the ILO's concern over the fate of free trade unionism in Poland as unwarranted "interference in Poland's internal affairs."

Glyn Lloyd of Britain's Trades Union Congress apologized to the Governing Body for having to sum up the communist argument in one word: "bullshit."

FOR THE AFL-CIO's Irving Brown, the U.S. worker delegate, communist efforts to picture the situation as being "normalized" made "a travesty of justice." Not until the trade unionists are released, or at least accorded the due process of law, will it be possible to describe the situation as normal, Brown said.

Because Poland ratified the ILO convention guaranteeing trade union rights it cannot use the argument that the ILO is interfering in its internal affairs as a "screen to hide behind," he said.

Brown urged the ILO to insist that Poland accept a visit by a full scale fact-finding mission comprising worker, government and employer members in accordance with normal ILO procedures for investigations into compliance with its conventions.

IN ADOPTING the committee report on Poland, the Governing Body repeated its earlier calls on Warsaw to "liberate rapidly the trade unionists who are still interned."

It also pressed the demand that new labor legislation be adopted soon so that "trade unions that are independent of the public authorities can function freely."

EQUAL RIGHTS AMENDMENT ratification drives in four key states were backed by massive rallies in Tallahassee, Fla., Springfield, Ill., Raleigh, N.C., and Oklahoma City. Union members swelled the ranks at each rally including the more than 8,000 demonstrators at this march to the Florida Capitol. The rallies were staged June 7 to dramatize the need for three more states to approve ERA before the June 30 deadline.

Extension of Free Trade Unionism A Major Theme at ILO Conference

Geneva—Eloquent appeals for the recognition of free trade unionism as essential to the exercise of human rights marked the opening of the International Labor Organization's annual assembly of member states.

On taking the chair as president of the three-week conference Alfonso Grados Bertorini, Peru's Minister of Labor, called on the 1,800 worker, employer and government delegates and their advisers to assure that their efforts marked an "advance toward a world of fairer labor relations."

THE GOAL, he continued, is a world "in which the exercise of trade union rights does not involve a threat to freedom."

Also on the opening day, French President Francois Mitterand declared in an address to the conference that "wherever the courageous efforts of workers to organize are thwarted by repression, the human heritage is impoverished."

Because the exercise of freedom of association is inseparable from the other human freedoms, "whenever civil liberties are infringed—and this happens all too frequently in the world today—trade union rights are threatened," he said.

AS IF TO underscore the absence of trade unionists from Poland's bench, Mitterand ridiculed attempts to "claim to defend democracy while putting trade union leaders on trial and to pose as the builders of some kind of social order while denying workers the right to organize."

Grados had bluntly deplored the absence of Lech Walesa, the interned leader of Poland's suppressed Solidarity trade union, after his attendance at last year's ILO session as his country's worker delegate.

But the failure of Walesa to reappear at the conference was "unfortunately not an isolated fact," the Peruvian minister said, because there are "many countries in which the full exercise of trade union rights is still a risk and a distant aspiration."

POLAND'S military dictatorship flouted the ILO's "tripartite" rule that the government delegates of the organization's 147 member states must be accompanied by representative worker and employer delegates, who also enjoy voting rights.

But Poland's communist rulers preferred to send only government delegates rather than leave themselves open, in the absence of Walesa, to charges of having sent a stooge as spokesman for the country's workers.

In his speech, Mitterand stressed the importance of the ILO's "tripartite" structure because cooperation between labor, government and employers is "even more necessary" in these times of world economic crisis.

"I INSIST once again on tripartism—on giving the unions their rightful place—because it is a structure which can make research, experience and awareness a reality, provided that the imagination and initiative of all the social partners are mobilized," the French president said.

The conference's trade unionists elected the AFL-CIO International Affairs Director Irving Brown, the U.S. worker delegate, to both their own group's steering committee and to the key conference selections committee, which oversees the work of the session.

The AFL-CIO team assisting Brown includes Michael Boggs, assistant director of the Dept. of International Affairs, who serves as substitute worker delegate.

President William W. Winpisinger of the Machinists, with Director Jack Golodner, AFL-CIO Dept. for Professional Employees as backup, is speaking for the delegation in a committee considering how vocational training can best help disabled workers.

Steelworkers Vice President Leon Lynch is a member of the panel working on new international rules to be adopted by the conference for the protection of workers from unfair dismissal.

A committee putting the final touches on a new convention, or treaty, for assuring the pension and social security rights of migrant workers includes Jean Ingrao, executive secretary-treasurer of the Maritime Trades Dept., and Charles D. Gray of the Asian-American Free Labor Institute.

Eugenia Kemble of the Teachers is serving on the resolutions committee. She is seconded by Patrick J. O'Farrell, the African-American Labor Center's executive director, who is also sitting on a committee dealing with issues raised by South Africa's racist apartheid policies.

A PROJECT for improving the lot of plantation workers in the tropical regions is under review in a committee on which Jesse A. Friedman of the American Institute for Free Labor Development represents the U.S. worker team.

Dale Good, assistant to President Lane Kirkland, is on a committee examining proposed ILO constitutional changes.

Legal adviser to the group is Washington attorney Edward J. Hickey, Jr., who sits on the committee that prods member states to live up to the standards set by the ILO conventions.

James Baker, former AFL-CIO regional director who is now deputy to Brown in the AFL-CIO European office in Paris, rounds out the conference team.

Congress Prodded to Act On Job Needs, Tax Reform

(Continued from Page 1)

and approved by the Education & Labor Committee.

He pressed Congress to enact both mortgage interest subsidies for moderate-income homebuyers and comparable rental housing assistance.

Labor has called for domestic content legislation and temporary curbs on job-destroying imports, Roberts pointed out. He emphasized the potential of the expiring Credit Control Act to bring down interest rates and start up the economy. Congress should extend that law, he urged.

The path to recovery, Roberts urged, should include "compassion for those who have least" and fair tax policies to finance public needs. "Economic progress and social justice go together," he insisted.

Other labor witnesses at the hearings testified to some of the specific problems their members have encountered as recession snowballed through the economy.

- Linda Puchala, president of the Flight Attendants, told the panel how Braniff airline workers found out first-hand the weaknesses of the bankruptcy law, despite provisions supposed to give preference to claims by employees.

Bimonthly paychecks that were supposed to have been delivered on the day Braniff filed for bankruptcy were never distributed, she noted. "Thus, 1,800 flight attendants and thousands of other employees were deprived of pay for work already performed."

- High interest rates have "shackled" the national economy, Machinists Legislative Rep. Marjorie Phyfe testified. She cited the ripple effect of the airline industry cutbacks, stretching beyond the thousands of airline employees left without jobs. As airlines cancel orders for new planes, thousands of other workers are laid off by aircraft plants and contractors. Yet, "mortgage payments must be met, bills must be paid and food put on the table," she pointed out.

- The once-booming coal industry has been hit by the spreading economic crisis, Research Director Mike Bruckner of the unaffiliated Mine Workers testified. More than 30,000 UMWA members are unemployed, he said, "due to reduced demand for electricity and steel—the prime consumers of coal."

Labor Endorses Study of Program To Spread Rights

The AFL-CIO has endorsed a proposal by the American Political Foundation to study ways in which the United States could encourage and support the building of democratic values and institutions in other nations.

Federation President Lane Kirkland will serve on the oversight panel selected by the bipartisan foundation to guide the study.

Kirkland pointed out that the goal is to determine the risks and benefits from a program of overt American assistance to democratic forces in foreign countries and to suggest ways and means of carrying out such a program.

The mission of the program would be to help other countries develop a structure for human rights and basic democratic freedoms.

Correspondence about address corrections should be sent with attached mailing label to: Subscriptions, Room 209, 815 16th Street, N.W., Washington, D.C. 20006.

6/12/82

Labor Dept. Sued on Rules Gutting Davis-Bacon

AFL-CIO News

Vol. XXVII Saturday, June 19, 1982 No. 24

Building trades unions and the AFL-CIO have asked a federal court to block new Labor Dept. regulations that would undermine prevailing wage protections of the Davis-Bacon Act on government-funded construction.

Their suit contends that the regulations, scheduled to take effect July 27, violate the law they are intended to enforce and would push down wages.

AT A NEWS conference announcing the court challenge, President Robert A. Georgine of the AFL-CIO Building & Construction Trades Dept. accused the Labor Dept. of putting "the force and power of the federal government" on the side of anti-union contractors.

The final version, he said, was even more devastating than the Labor Dept.'s earlier list of proposed changes. He termed it a "complete capitulation to the anti-union position."

These are the principal regulatory changes that the suit seeks to block:

- Approval for almost unlimited use of semi-skilled "helpers," working across craft lines and replacing both journeymen and apprentices. Georgine charged this would create a permanent second-class category of workers and destroy the apprentice system.
- Abolition of the "30-percent rule," which has been used since 1935. This defines the prevailing wage as the rate paid to the largest number of workers in a craft, provided that at least 30 percent of workers in the survey area are paid at that rate. Anti-union contractors complained and the Labor Dept. agreed to use a weighted average for an area unless more than half the workforce received the prevailing rate.
- Further lowering the average by not counting wages paid on existing federal contracts toward determination of the prevailing rate. Another change would bar consideration of metropolitan area wage data for jobs in rural locations, even when the workforce is drawn from the metropolitan area.
- Ending the requirement that con-

(Continued on Page 3)

GOP Budget to Force New Cuts

POLISH ARTIST Jan Sawka tells a Washington news conference his poster art expressing the hopes of Polish people for worker rights and free trade unions will serve as a message to the world that the spirit of the Solidarity trade union movement still lives. The AFL-CIO is distributing the poster worldwide, with the proceeds earmarked for the federation's Polish Workers' Aid Fund.

Labor Keeps Spotlight On Polish Oppression

By James M. Shevis

The American labor movement — remembering the thousands of Solidarity members still in prison following six months of martial law in Poland—pledged not to rest until Lech Walesa and his colleagues are restored to freedom.

"We of the AFL-CIO are determined to do what we can to keep public attention focused on the suppression of the Solidarity trade union movement," Federation President Lane Kirkland said in a statement read by his executive assistant, Kenneth Young.

"We remember too well how quickly the free world forgot about the Soviet invasions of Czechoslovakia and Hungary."

Young read the statement at the unveiling of a huge sign counting the number of days the Solidarity members have been held captive by Polish communist authorities—183 on June 13, the six-month anniversary of the military crackdown in Poland. The sign, which also took note of America's high unemployment rate, is on display at the AFL-CIO headquarters in Washington.

Young said the 24-foot sign highlights two major policy concerns of organized labor, and "serves notice that we will not rest until Lech Walesa and all other Solidarity members are freed—just as we will not rest until unemployment in this country is reduced by a turnaround in the Administration's disastrous economic policies." Unemployment in May reached 10.5 million, with a jobless rate of 9.5 percent, the highest level in more than 40 years.

AT THE SAME time, Young introduced Jan Sawka, a young Polish artist expelled from his country in 1976 for his outspoken views on human rights. Sawka, who has received international acclaim for his poster art—painting-like works that frequently illustrate socio-political concerns—has produced a poster to serve as a graphic symbol of the Polish workers' movement.

The AFL-CIO has launched a campaign to distribute the poster throughout the world as a message to the Polish authorities that they have not succeeded in destroying the spirit of Solidarity among the Polish people.

Sawka, 36, told reporters that Solidarity's Warsaw branch last year asked him to design an official poster to be mass repro-

(Continued on Page 2)

Filibuster Stalls Senate Passage Of Voting Rights

Delaying tactics by a handful of senators slowed but failed to derail a labor-backed bill to renew enforcement powers of the Voting Rights Act and clarify some of the law's provisions.

The bill before the Senate is almost identical to the measure the House passed last year and has strong bipartisan support.

If it is passed without controversial changes, the House will take the Senate bill without the need for a conference and the President will sign it into law. That's the scenario being pursued by the civil rights coalition.

Sen. Jesse Helms (R-N.C.), who is leading the opposition, is using delaying

(Continued on Page 8)

Deeper Slashes Scheduled For 'Safety Net' Programs

By David L. Perlman

A Republican budget being put in final shape by a House-Senate conference committee will compel Congress to follow through with deep new cuts in an already frayed safety net for recession victims, the sick and the elderly.

Laws will have to be rewritten to conform to reduced "entitlement" to Medicaid and Medicare, food stamps, family assistance, child nutrition—and the remnants of an already ravaged trade adjustment assistance program for those whose jobs have been wiped out by imports.

BASED ON BOTH the House and Senate versions, the budget aftermath will compel further cuts in housing, transportation, job training and other programs that could have provided employment along with needed public facilities.

Ironically, most of the program cuts were harsher in the budget version adopted by the nominally Democratic House than in the budget voted by the Republican-controlled Senate. That's because a bloc of conservative Democrats for the second year in a row swung over to defeat their own party's alternative budget—which labor supported as a start to getting America back to work and easing the recession's hardships.

But only three Republicans swung the other way on the vote that counted—despite grumblings by moderate Republicans about the hardships inflicted by Reaganomics. **(Rollcall, Page 6.)**

PRESIDENT REAGAN had endorsed both the House and Senate versions at the time of their passage, despite the differences, and Republicans on the conference committee agreed to split most differences —and to use some fancy arithmetic to hold down the projected deficit. Democrats make up a majority of the House conferees, however, and the final figures had not been agreed to as the AFL-CIO News went to press.

The Senate budget, based on assumptions developed by the non-partisan Congressional Budget Office, projected a 1983 fiscal year deficit of close to $116 billion, with estimated outlays of $784 billion and anticipated revenues of $668 billion.

As passed by the House, the Republican budget had a deficit estimate of $99 billion —which GOP leaders considered psychologically important in defeating a Democratic alternative that broke the $100 billion level.

BY THE FIGURES used in the debate, the Democratic plan would have resulted in a $107 billion deficit. Its total spending was equal to the Senate level, but with more allocated to domestic programs and less to the military. The deficit was less because tax reforms would have brought in more revenue.

It turned out, however, that the House Republican figures had assumed lower costs and higher revenues than the Congressional Budget Office was willing to project. At the start of the House-Senate conference, the Congressional Budget Office put the deficit of the House-passed budget at $110 billion.

To overcome that obstacle, Senate Republicans expressed their willingness to go along with the arithmetic of their House GOP colleagues instead of using the non-partisan Budget Office estimates.

THE BUDGET skirmishing is still not over, even if the conferees are able to get the full House and Senate to approve their final figures.

In many areas, spending ceilings are in broad categories that give committees leeway in allocating funds. If past practice is

(Continued on Page 7)

Congress Pressed to Revive Trade Adjustment Program

The AFL-CIO and unions whose members have been thrown out of work by rising imports pressed at House hearings for restoration of trade adjustment assistance for workers.

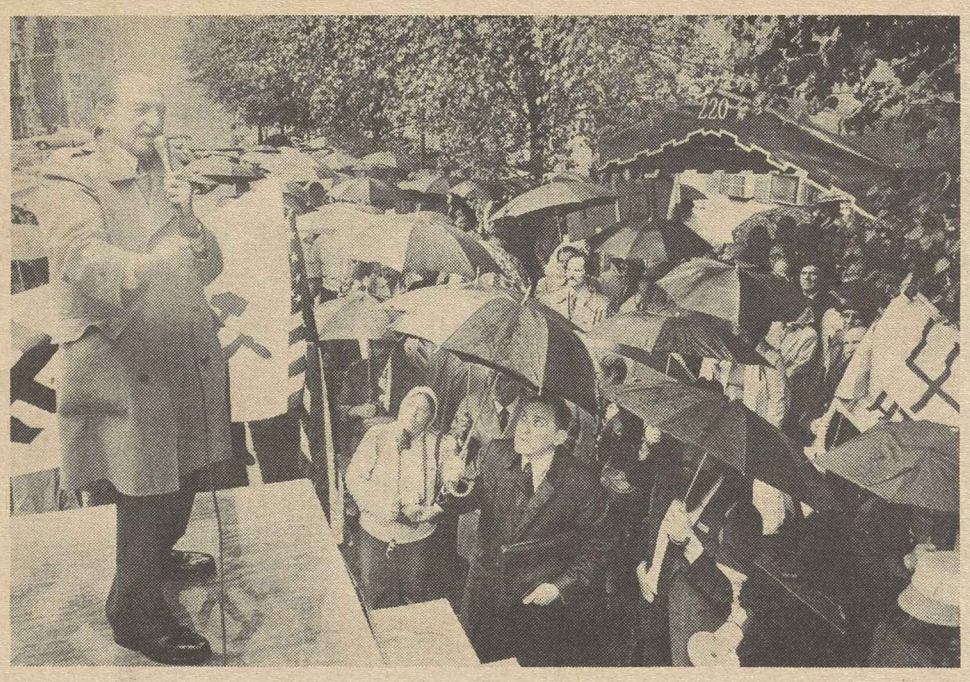
Congress gutted the program last year, reducing cash benefits to the level of state unemployment insurance payments and narrowing eligibility. Now the Administration wants to do away with cash benefits entirely and let other government programs cover job training functions.

AUTO WORKERS Sec.-Treas. Raymond Majerus charged the Reagan Administration with breaking a "20-year covenant with U.S. workers." The 1962 Trade Expansion Act and its successors promised special assistance in cash benefits, retraining and relocation allowances to workers whose jobs were sacrificed through trade concessions.

AFL-CIO Legislative Rep. Stephen Koplan and Steelworkers Legislative Rep. John Powderly, along with Majerus, strongly urged the Ways & Means subcommittee to reject the Administration bill and approve instead a measure introduced by Rep. Donald J. Pease (D-Ohio) and supported by the Democratic leadership.

Subcommittee Chairman Sam M. Gibbons (D-Fla.) is one of 27 co-sponsors of the bill, which would restore training for displaced workers as an "entitlement" and make other improvements. The Secretary of Labor now "may" make training available for displaced workers, if funds permit, but doesn't have to do so.

(Continued on Page 7)



RALLY MARKING the sixth-month anniversary of the suspension of Solidarity, the Polish free trade union movement, drew some 250 people outside the Soviet consul office in New York City June 13. AFL-CIO Regional director Michael Mann joined others at the Polish-American Congress-sponsored rally in calling for the release of Solidarity Chairman Lech Walesa and other members of the workers' association and an end to martial law in Poland.

Labor Movement Pledges To Keep Spotlight on Poland

(Continued from Page 1)

duced for distribution to every corner of Poland at Christmas. The poster was to convey an expression of hope to the Polish people that Solidarity—the first free trade union movement to arise in a communist-ruled country—would one day overcome the repression that has settled in on Poland.

IN NEW YORK, where he had moved following his expulsion from Poland, Sawka created a simple, yet dramatic and colorful, landscape representing the whole of Poland. A sun on the horizon symbolized the dreams and aspirations of Polish workers in the form of Solidarity.

Sawka put the finishing touches on the work last fall, and arranged to smuggle the art into Poland, where the union displayed it at its national headquarters. But just as Solidarity's printing presses were beginning to reproduce the poster in quantity, the Dec. 13 Jaruzelski coup took place. The presses were silenced, and the original artwork destroyed as the Polish government moved forcibly to suppress individual freedoms.

Undaunted, Sawka recreated the work and asked the AFL-CIO to pick up where Solidarity left off and distribute the poster worldwide, with the proceeds going to the federation's Polish Workers' Aid Fund, a major source of assistance to the Polish workers' movement.

AT THE press conference, Sawka thanked the AFL-CIO for undertaking the project. He said it gave him a certain "private pleasure that this poster was reborn . . . a private personal revenge on my enemies. I am very familiar with the thinking of communist bosses. If there is something they don't like, they destroy it. But they are infuriated if the item reappears."

As bold as Solidarnosc itself, the poster is a positive statement that Solidarity lives and its spirit will never die.

Prints of the poster may be ordered at $7.50 a copy from the AFL-CIO Polish Workers' Aid Fund, P.O. Box 37522, Washington, D.C. 20013. Orders up to 99 are $6 each; over 100, $5; over 500, $4.50, and over 1,000, $4.

Wholesale Prices Hold Steady, But Upturn Expected

Wholesale prices on a seasonally adjusted basis showed no change in May, the third straight month of stable prices at the dealer level, the Bureau of Labor Statistics reported.

Analysts were quick to note, however, that rising gasoline prices will probably reverse the trend in the government's producer price index for finished goods in the coming months.

BECAUSE BLS is a month late in reporting prices for refined petroleum products, the May wholesale price report did not reflect gasoline price increases now showing at the pump. The May report showed gasoline prices fell an adjusted 5.9 percent, after dropping 7.2 percent in April. But pump prices have risen about 10 cents a gallon in the past month.

Declining energy costs offset food price gains in May. Prices for finished consumer foods rose an adjusted seven-tenths of 1 percent, after increasing 1.6 percent in April. A marked slowdown in price increases for pork, beef, veal, and fish contributed to the smaller rise in May. Prices for eggs and fresh fruits went down following increases the previous month, and coffee prices fell even more than they had in April.

ON THE OTHER hand, prices climbed rapidly after declining in April for fresh and dried vegetables and milled rice, and prices rose faster than a month earlier for processed poultry, shortening and cooking oils, and flour base mixes. Refined sugar rose 3.9 percent, following no change in April.

Wholesale prices for nonfood items decreased by two-tenths of 1 percent after declining four-tenths of 1 percent in April. Prices for capital equipment rose four-tenths of 1 percent, the same as in April.

Pope Addresses ILO, Calls Unions Essential For 'New Solidarity'

Geneva—Pope John Paul II, looking beyond international systems, regimes, and ideologies, called for a new attitude of solidarity in the world of work—"a new solidarity without frontiers" based on the primacy of human work over the means of production.

Addressing the annual conference of the International Labor Organization here, the Pope said workers' solidarity is needed for the common good of the world, which in many areas is experiencing hunger and poverty.

REITERATING a main theme of his encyclical, "Laborem Exercens," issued last year, John Paul stressed that trade unions able to operate in "full independence from the political authorities" are essential for forming a "society of solidarity."

"Laborem Exercens" declared trade unions "an indispensable element" of modern industrialized societies.

The Pope delivered his hour-long address before some 2,000 government, trade union, and management delegates, who jointly represent their countries at the 149-nation ILO. Several members of Poland's suspended Solidarity trade union, armed with a smuggled warrant from their leader, Lech Walesa, to represent the union at the conference, were in the galleries to hear John Paul speak. Walesa has been held by Polish authorities ever since the military regime of Gen. Wojciech Jaruzelski declared a "state of war" in Poland six months ago.

AT A MEETING with worker delegates, the Pope spoke briefly with one of the Solidarity representatives, Bogdan Cywinski, who earlier warned an ILO conference committee that Poland was close to an explosion because of the continuing military crackdown. Soviet bloc delegates walked out during Cywinski's speech.

The Polish-born Pope spoke from the same podium from which Walesa addressed last year's conference as a Polish worker delegate. This year, the Polish government did not include any workers in its delegation, even though ILO rules call for their participation.

Irving Brown, director of the AFL-CIO Dept. of International Affairs, is the U.S. worker delegate to the conference. Federation President Lane Kirkland also is attending the meeting, along with an AFL-CIO team of advisers.

JOHN PAUL, who was prevented from addressing the conference last year because of the assassination attempt which wounded him, spoke on a wide range of subjects but returned time and time again to the need to accord dignity to work.

Human progress should be judged by whether the labor it requires really serves man and respects his dignity, he said.

"One must ask oneself whether this progress is 'human' enough and 'universal' enough, whether it serves to level injustices and favor a peaceful future for the world, whether the work provides for the fundamental rights of the individual, the family and the nation," the Pope said.

Global solidarity and common action in the world of work had already taken shape in the last century as a reaction to the degradation of the worker, he observed.

"IN SPITE OF improvements since then, in spite of the greater and more effective respect for fundamental rights of workers in many countries, different systems based on ideology and on power have let flagrant injustices persist while creating new ones," he said. "A greater awareness of social justice has uncovered new injustices which by the geographical extent or scorn for the human person are a real threat to humanity."

ILO Director-Gen. Francis Blanchard noted in introducing the Pope to the conference that John Paul knew the life of a worker because he had worked as a young man in Poland in a stone quarry and in a chemical factory.

Speaking of the common struggle of the Catholic Church and the ILO for human rights and the freedom and dignity of workers, Blanchard said it was now urgent to implement United Nations development strategy, and to agree on methods for multiplying jobs and distributing income fairly to make work more human.

"IT IS HERE that spiritual forces and social movements must continue to act by enlightening minds, awakening consciences, and opening hearts," Blanchard said.

John Paul called for special attention to the worldwide problem of unemployment, with its "harsh consequences for the workers which are too often overlooked." He said that one of its causes lies in the advanced development of labor-saving technology, which limits man's direct role in the production process.

The solution to unemployment must be found in accepting the principle of the primacy of human work over the means of production and the primacy of the person at work over the demands of production or purely economic laws, he declared.

"THE HUMAN person is the first and last criterion for employment planning," he said.

And, he continued, the right to join unions of one's choice should be the right of all workers.

Freedom of association is fundamental to the world of work, offering the means for active participation, guided by concern for the common good, the Pope observed. This right, enshrined in ILO Convention No. 87, is nonetheless threatened, sometimes scoffed at today, both in principle and — more often — in substance, leaving it disfigured, he said.

Don Stillman Appointed To Key UAW Staff Post

Detroit—Don Stillman has been appointed director of the Auto Workers governmental and international affairs department, UAW President Douglas A. Fraser announced. Stillman, 36, has headed the UAW's public relations and publications department since 1975.

Fraser also named David Mitchell to succeed Stillman as PR and publications director and appointed Alan Reuther as assistant general counsel of the UAW's Washington, D.C., office. Mitchell has been on the union's PR staff for four years and Reuther was formerly an attorney in the UAW legal department.

In Convention Action

Retail-Wholesale Union Votes Per Capita Boost

Bal Harbour, Fla.—Delegates to the 14th convention of the Retail, Wholesale & Dept. Store Union voted increases in per capita tax and monthly dues to keep up with rising costs and bolster organizing efforts.

The nearly 800 delegates also voted to delete a provision from the union's constitution that had permitted local unions to disaffiliate from the international. A companion measure gave the international the power to impose trusteeships.

THE PER CAPITA tax will increase in stages from the current rate of $2.50 a month to $3.50 by July 1, 1985. The minimum dues will go up from $10 monthly to $11 effective July 1 and to $12 in 1984. New language was adopted permitting affiliates to set local dues schedules of two hours pay a month or at least the minimum dues.

President Alvin E. Heaps and Sec.-Treas. Lenore Miller were re-elected by acclamation to new four-year terms. Elections were also held for 21 vice presidents.

In his keynote address to the delegates, Heaps scored the Reagan Administration for policies that are having a devastating effect on U.S. workers and stressed that Canadian workers are in a similar economic plight.

"We are mired in a depression never before seen by most of us, remembered only by those of us who were in our youth in the dark days of 1929 and the following days of despair," Heaps observed.

AFL-CIO PRESIDENT Lane Kirkland told the convention that even though the economy is "sick indeed and getting sicker," those in authority in the government "show no sign of taking positive action to improve it or prevent it from getting worse."

Kirkland said the congressional elections of 1982 are the labor movement's most urgent business, and he stressed that despite economic and social adversities, there is "a spirit of solidarity" in the labor movement.

To correct "the pattern of misgovernment that is threatening to sink a whole society," Kirkland said, the labor movement must "elect a Congress that will restore equity to the operations of government by taking into account the needs of human beings and the long-range interests of the United States as a human society rather than as a collection of banks and investors and boards of directors."

SEC.-TREAS. Miller criticized the Reagan Administration's "tragic" firing of striking Air Traffic Controllers and "mindless" cuts in the Occupational Safety & Health Administration's programs and enforcement activities.

The ballot box is organized labor's greatest weapon for fighting back, he said.

The constitutional change adopted by the convention forbids affiliates from "dissolution, secession or disaffiliation." Should a local take any of those actions, its assets would become the property of the international union.

The issue of merger with the Service Employees was not before the convention since the talks were suspended by the RWDSU executive board in January.

Among other speakers addressing the delegates were Sen. Alan Cranston (D-Calif.); Rep. Claude Pepper (D-Fla.); President Joyce Miller, of the Coalition of Labor Union Women, and Vice President Robert White of the Canadian Labor Congress.

LABOR IS STRONG and united in its determination to work toward the election of a Congress in November that will restore human concerns to government and look at the long-range interests of the country, AFL-CIO President Lane Kirkland told the more than 800 delegates to the 14th convention of the Retail, Wholesale & Dept. Store Union in Bal Harbour, Fla. Seated at Kirkland's left are RWDSU President Alvin E. Heaps and Sec.-Treas. Lenore Miller.

Building Trades Sue Labor Dept. On Davis-Bacon

(Continued from Page 1)

tractors submit a copy of weekly payrolls to the federal contracting agency for verification. The suit charged that this change would violate requirements of federal anti-kickback laws.

Joining in the court challenge were the AFL-CIO, the Building & Construction Trades Dept., the 15 building trades unions affiliated with the department, and the unaffiliated Teamsters.

The unions asked the federal court for the District of Columbia to grant a preliminary injunction to prevent the Labor Dept. from putting the new regulations into effect pending a court decision on a permanent injunction.

Georgine said the new Labor Dept. regulations "are what anti-union elements have long sought without success." He said the building trades unions will "do everything within our power," through the courts, on Capitol Hill and within the Administration, to stop the Davis-Bacon Act from being gutted.

Steelworkers Hail Finding Of Unfair Trade Subsidies

The Steelworkers welcomed preliminary Commerce Dept. findings of unfair trade practices against nine foreign governments in subsidizing steel products shipped to the United States.

As a result of the decision, the Commerce Dept. announced plans to levy duties on the subsidized imports. Subsidies on some imported items exceeded 40 percent of their selling price in the U.S. market, the government found.

THE USWA endorsed a petition filed by seven basic steel firms in January charging that the unfair subsidies of the foreign-made steel were causing severe injury to the American companies and their workers.

Named in the petition were Britain, France, West Germany, Italy, Belgium, the Netherlands and Luxembourg—all European Economic Community members—as well as Brazil and South Africa.

USWA President Lloyd McBride said that the government's findings should come as no surprise in light of the extended and unfair assault on the U.S. market by foreign steel producers.

"PERHAPS NOW with the message having been said to those who would ship their unemployment to this nation, American steel producers and their workers can get on with the task of engaging in fair competition for their own home market," McBride declared in a statement.

Effective with the preliminary findings is a requirement that U.S. importers of steel products from the nine countries post cash bonds equivalent to the estimated subsidy to ensure payment of countervailing duties when the final findings are made. The Commerce Dept. said it would issue the final subsidy determination by Aug. 24.

The preliminary findings showed that subsidies ranged from less than 1 percent to more than 40 percent of the value of the imports. Based on current prices in the U.S. steel market, duties on imports could range from about $3 to $200 a ton.

STEEL IMPORTS from the nine countries in 1981 were valued at $1.4 billion. The USWA has repeatedly pointed out that the flood of foreign steel contributed substantially to layoffs in the United States, with the unemployment rate in the domestic steel industry approaching 25 percent.

Commerce Sec. Malcolm Baldridge acknowledged in issuing the findings that there are 106,000 American steelworkers laid off and that an additional 28,000 are working short weeks.

He also said that because of the current recession, the American steel industry is operating at 42.5 percent of capacity—the lowest rate since 1938—a condition which "may have been aggravated by subsidized import competition."

Baldridge, however, expressed "regret" for having to take action against the nine countries. "I extend my sympathies to those hurt by our necessary enforcement of U.S. law and the General Agreement on Tariffs & Trade (GATT) subsidies code," he said. The seven European Community countries are signatories to the GATT code that prohibits export subsidies. Brazil and South Africa are not.

Furniture Union Sounds Political Action Call

Nashville, Tenn.—Political action that will reverse the social and economic damage done by the Reagan Administration was the key theme of the Furniture Workers convention here.

The more than 200 delegates acted on 12 major resolutions including a demand for an immediate overhaul of the nation's tax structure "to lift the burden off the backs of workers" and force corporations and the wealthy to pay a fair share.

THE DELEGATES scored the Administration's "deregulation" of the Occupational Safety & Health Administration and called for an expansion of OSHA's standards and activities to protect workers.

In his keynote speech, UFWA President Carl Scarbrough blamed President Reagan for the "hopelessness, joblessness and homelessness being experienced by millions of Americans."

The recession is "a close runner-up to the depression of the 1930s," he said, asserting "the only thing keeping it from becoming worse" is the safeguards enacted under President Franklin D. Roosevelt.

"If you are not mad," Scarbrough said, "look what is happening to you, to your members and to your country. And then tell me that you are not mad."

"WE ARE in this mess because the working people didn't get out to vote," Scarbrough declared, pointing out that only half the eligible voters went to the polls in 1980 and only half of those voted for Reagan.

He suggested that Reagan's 1980 campaign quote, "Are you better off today than you were a year ago," may "come back to haunt him because the answer is 'Hell, no.' "

Scarbrough blasted the Administration for "busting" the Professional Air Traffic Controllers union and "blacklisting" its members, and he scored the President's appointment of John Van de Water to chair the National Labor Relations Board.

VAN DE WATER was "the chief hatchet man" in over a hundred union-busting campaigns and does not "merit the right" to sit on the NLRB, Scarbrough asserted.

"It's time to turn things around" by hard work and getting out votes, Scarbrough declared.

A convention resolution endorsed the AFL-CIO's efforts to turn Election Day into "Solidarity Day II" and put a Congress in the Capitol "more concerned for people than profits."

The delegates also urged an end to racism in a resolution that included condemnation of the "philosophies and practices" of the Ku Klux Klan.

THE RATIFICATION of the Equal Rights Amendment was strongly endorsed, and the convention voted to send telegrams voicing this support to state officials in Illinois, Oklahoma, Florida and North Carolina where campaigns were in progress to win ratification in three more states before the June 30 deadline set by Congress.

Financial support was voted for the 170 UFWA members striking Indiana Desk. A national boycott of products of the Jasper, Ind., company was sanctioned by the AFL-CIO Executive Council in May after the firm launched a union-busting campaign.

The union's annual Fred Fulford Scholarship was presented to Lee Faulkner, a member of UFWA Local 1 in Nashville.

OTHER SPEAKERS at the convention included William E. Roehl, assistant director of the AFL-CIO Dept. of Organization & Field Services, and Al Barkan, former AFL-CIO COPE director.

Merle London, former managing editor of the Furniture Workers Press, was given a standing ovation by the delegates in recognition of her 15 years of service to the union.

Kirkland Backs Israel On Action in Lebanon

AFL-CIO President Lane Kirkland termed Israel's military action in Lebanon "entirely justified," adding that "no nation is required to suffer daily terrorist attacks on its population without striking back at the source of those attacks."

Kirkland said that in the absence of effective international guarantees that would protect Israel's northern borders and in the face of continuing terrorism within Israel by the Palestine Liberation Organization, the Israelis have a right to act in defense of their own security.

Instead of "carping and scolding," the Reagan Administration ought to accord Israel sympathetic support, Kirkland said.

Supply-Side Nonsense

A NEW COMMERCE DEPT. survey of business investment plans should set alarm bells clanging in the board rooms of the Reagan Administration, or wherever the high priests of supply-side economics hang out these days.

It reveals that American businesses plan to invest less this year in real dollar terms than they did last year—despite the windfall of multi-billion dollar tax cuts that were supposed to touch off an investment boom and lift the nation back to prosperity.

Instead, the economy will be running backwards. Business is taking the money and running.

That's not the way it was supposed to work. Last year, President Reagan sent his package of business tax cuts to Congress with the assurance that its enactment would cause corporate investments to rise 11 percent a year in after-inflation dollars for at least the next five years.

When the final version of the business tax cuts cleared Congress—retroactive to Jan. 1, 1981—the Secretary of the Treasury hailed the prompt enactment and told reporters: "This is President Reagan's economic tax recovery plan."

THE FLIP SIDE of the Administration's tax strategy was, of course, its highly touted three-year cut in individual income taxes coupled with an added bonus for high-income investors whose maximum tax rate was immediately slashed from 70 to 50 percent. At the same time, the maximum tax rate for capital gains profits was dropped from 28 to 20 percent.

Add to this, the obvious fact that a 10-percent tax cut means a vastly greater number of take-home dollars to the $200,000-a-year executive than to a $20,000-a-year working couple.

At the Administration's request, the Treasury Dept. has just done an analysis of the impact of this year's scheduled income tax cut.

The study concluded that the combination of inflation and higher social security taxes will result in most families with incomes under $40,000 a year paying higher taxes than they did for last year. And even if the 1983 tax cut were repealed entirely, the Treasury study noted, families with incomes over $100,000 would come out ahead because they would still benefit from the special investment income tax breaks.

It's puzzling, at the least, that the Administration believes the Treasury study makes a case for leaving the scheduled tax cuts in place.

BUT IT DOES make a case—a very strong case—for the AFL-CIO's proposal that the individual tax cuts be capped at $700 a year. At that level, nearly all taxpayers with up to $40,000 in family income would receive the full amount of the scheduled tax cut. Those in the higher income brackets would get $700 a year in tax savings, which is no small amount to most of us.

That $700 cap alone would bring in about $28 billion of badly needed revenue.

Congressman Thomas J. Downey (D-N.Y.) and a number of his colleagues have sponsored this in the Equity Tax Act, now before the House Ways & Means Committee.

It makes enormous sense.

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THOMAS R. DONAHUE, *Secretary-Treasurer*

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'And It Comes Out Here – Sort of...'

Cruel Economic Facts

Millions of Mothers Hold Jobs To Pay for Their Family Needs

By Gus Tyler

YOU'RE A KID under the age of six. What are the chances that your mother will be holding a job away from home?

The chances are almost fifty-fifty: 44.9 percent of pre-school children have mothers in the labor force—as of 1981. A year earlier, the percentage was less—43 percent.

In absolute numbers, there are more than 8 million kids under 6 with working mothers. Last year, there were 7.7 million.

IF YOU ARE under the age of 18, the chances are better than fifty-fifty that your mother holds a job away from home. There are 31.8 million such youngsters, about 55 percent of the total.

There are many reasons women with children, including small children, go to work. The reasons have to do with the changing status of women in the society, with mechanical appliances to handle housework, with baby-sitting and nursery school arrangements. But a look at the cold—sometimes cruel—economic facts suggests that many women work because they have to.

To begin with, there are the mothers who are the sole support of their families, more of them than you might expect. As of this March, one family out of every six is headed by a woman who is either divorced, separated, widowed, or never married. Of these more than 9 million families, there are almost 6 million where women were either working or looking for work.

Then there are the families where the women co-chair the household with both mother and father at work, with occasional added income from children. A look at such family earnings reveals much about why women have a strong economic incentive, perhaps even compulsion, to work.

AS OF 1980, the average annual income for a family with one earner was $16,603—before taxes. With taxes and inflation eating away at that income, this sum of some $300 a week is much smaller than it once was.

That income may hold body and soul together. But it is hardly enough to pay for the mortgage or for a college education for one or more children.

When there are two earners, family income rises. The average in 1980 for a family with two or more earners was an income of $27,115. Generally speaking, women at work add about one-third to a family's income.

These figures refer to "averages," which means that some do better and some do worse. At the unhappy level of this story are some 745,000 where there are two or more earners and where the family still ends up below the poverty line.

AT AN EVEN MORE desolate level are the families headed by women, some 3 million of them, that are below the poverty level, including about one and a quarter million families with one earner and an additional quarter of a million families with two earners.

Since it is common to conclude that all these families in poverty are either black or Hispanic, it is informative to note that, of the families so listed, 4,337,000 are white, 1,863,000 are black, and 768,000 are Hispanic. Families headed by women make up a sizable portion of such families, although among whites the number of poor families headed by a married couple is greater than the number headed by a woman alone.

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Keeping Count on Days of Oppression

Sunday, June 13, marked six months since the Polish government declared a state of war against the Polish people—six months since Lech Walesa and thousands of Solidarity members were rounded up and deprived of their freedom.

We of the AFL-CIO are determined to do what we can to keep public attention focused on the suppression of the Solidarity trade union movement. We remember too well how quickly the free world forgot about the Soviet invasions of Czechoslovakia and Hungary.

We are keeping count of every day that Lech Walesa and his colleagues are denied their freedom, and we will not rest until they are restored to their families and to the workers of Poland.

—AFL-CIO President Lane Kirkland, June 14, 1982.

Letters from the Underground

An Anguished Pole Returns To Press Solidarity's Struggle

The author of this article has requested anonymity because "we still are quite worried about the well-being" of the Polish journalist who is the story's subject, "and we fear—perhaps paranoically—that any public identification of his friends here could somehow lead back to him personally."

IT DIDN'T SEEM remarkable at the time. It was just another all-night session in which a group of reporters wallowed in righteous indignation—our gripes about editors and self-proclaimed censors growing in direct proportion to the beer we consumed.

The slender, brown-haired man chain-smoked and tossed down straight whiskey. His nervous energy made his right foot tap a staccato beat on the hardwood floor. He described dispassionately the daily censoring of "bad" news from his stories.

I don't recall exactly what he said that made me interrupt to demand: "But what about the First Amendment?" But I remember his bemused smile and patronizing glance. They caught me up short and made me laugh, joylessly, at myself. I had forgotten. He was Polish. He had no First Amendment.

Today, he has no job. He is in hiding. He escaped by minutes a round-up of "dissident" journalists in December after martial law was declared in a dropping of the heavy weight on Poland's Solidarity union movement.

"IT IS HARD to describe the feelings," we read in poorly typed letters smuggled from Poland.

"The strangest of them all is when you sit in a room, listen to the noise of cars carefully to hear if any of them brakes in front of the building. You have your coat ready, toothbrush, piece of soap and disposable shaver in the pockets—just in case.

"And still you know that you have not done anything against the law, you have not violated even their laws. But you are a hunted animal, no longer protected by any law, by any doors of any home."

He would not, even if given the opportunity, sign a loyalty oath that he "shall renounce his anti-socialist activities."

We would laugh if it didn't hurt so much. For all his diatribes against the state he never could be called anti-socialist. Poland cannot afford not to be a socialist state, he argued.

WE WERE suspicious when the fiery, brilliant world-traveller arrived in our midst. He spoke authoritatively. In fact, he monopolized our conversations, even intimidating the most outspoken of us, with his lecturing suggestions that we led a pampered life, sheltered from harsh world realities.

In our naivete, we wondered whether a journalist from a state-controlled press really could be as outspoken a critic of the communist regime as he sounded. Or, was he playing a game with us American babes-in-the-world?

Too late, we learned that he was struggling. Caught between his desire to practice journalism unfettered and his sense of duty to his homeland, he returned to Poland.

We didn't realize what was happening. We didn't know how to write bland letters that would send a message. We weren't persuasive enough in our arguments that he should remain in the United States.

HE WAS SO proud when he was elected a leader of a new, Solidarity-affiliated journalists' union. He hailed the local's censuring of a journalist who reported the state's patently false charges against a Solidarity member without reporting the union justification.

So what happened, we asked? He wryly admitted the local journalist was promoted—by the state. So why bother, we asked again? The message spread, he explained. Solidarity and the workers it represented made that man a leper among the clean. He was effectively cut off from the people about whom he was supposed to report.

It was a small victory. But it was a forging of workers who, in unity, could begin to improve their lot. Wasn't that the point of a union, our friend asked? It was a first step that, perhaps, a Norma Rae might understand. He was enormously proud of it.

WHEN SOVIET tanks rolled across Czechoslovakia on Aug. 21, 1968, many of us had been alarmed and angered. Might the same thing not happen to Poland, we inquired later?

He didn't think it would. Czech reforms, which so infuriated the Politburo, had come from top political circles.

Poland was different. It was a peoples' movement—it was an effort by workers to take back some control over their lives and livelihoods.

Last December, we cried for Poland and, more specifically, for our friend. He wrote, "It has been difficult to recover from the shock."

During months of anguish, we could learn nothing from foreign correspondents or other contacts inside Poland about our friend. Amnesty International knew nothing.

Then, a letter came, and a second and a third. We don't bother to inquire how they get out. It is enough that they come.

But we rail against our helplessness.

"WHAT WE fear most is to be forgotten by the outside world," he writes. "The western Europeans are willing to forget that uncomfortable issue. They want their gas deal, their comfort of better job safety—an illusion since the countries they want to trade with don't have any money—their beefsteak and wine.

"And what we need to survive is the feeling that someone remembers what we fought and what we fight for. One gets little news from censored mail, we can seldom get a smuggled copy of a western newspaper. But we need moral support, we need a letter from time to time, maybe some material support."

By Press Associates, Inc.

IF THE CURRENT recession was brought on by Reaganomics, the blame for the prolonged slump has been pinned on the high cost of borrowing money, and rightly so.

Consumers can't afford to buy things like cars, appliances and houses on which the economy runs. Business can't sell its products at a profit so, instead of expanding, it idles its machines and workers.

Although some interest rates have declined a bit in recent months, "real" interest rates, meaning the cost of money minus the inflation rate, remain at record post-Depression highs.

The current high rates are largely the result of the deliberate tight money policies of the Federal Reserve Board, backed by the Reagan Administration.

ALTHOUGH PRESIDENT Reagan publicly bristles at the suggestion that the Administration is trying to fight inflation through high interest rates, recession and unemployment, that is exactly what it adds up to.

On this score, some of Reagan's advisers—especially the doctrinaire "monetarists" who have urged the Federal Reserve to keep money tight—have been more candid than the President in prescribing "pain" for the economy.

Pain, that is, for working people, not for the bankers and coupon-clippers who profit from the high rates. As with the Administration's social program cutbacks, the jobless and the poor were drafted as front-line soldiers in the "war against inflation."

In that regard, a recent study released by the National Council for Low Interest Rates, a coalition of labor and consumer groups, revealed that "high interest rates have resulted in a massive transfer of capital from non-financial businesses and the U.S. government to wealthy individuals."

Mainly as a result of a rapid climb in interest rates, the study said that "interest payments made by the U.S. government, corporations and individuals about doubled between 1978 and 1981."

In 1981, government interest payments, mainly to affluent bond holders and institutional investors, totaled $96 billion. This was nearly $21 billion more than interest paid in 1980, an amount which the study points out "was more than half the much-publicized cuts in fiscal 1981 social programs."

Although the economy as a whole has been battered by the high rates, the biggest losers have been the construction industry, the auto industry, farmers, savings associations and public utilities, the study pointed out.

BUT THERE ALSO have been big winners, the study found. "Wealthy individuals gained the most from rising rates. Between 1979 and 1981, personal interest income rose 47 percent—from $209 billion to $308 billion."

The big banks also have profited. Their profits rose from $4.4 billion in 1976 to $8.3 billion in 1981, according to the study.

"Rates are so high," said the study, "that they are now feeding on themselves. Like many Third World countries, corporations and the federal government are increasingly borrowing money simply to meet their debt obligations. This demand for credit places upward pressure on rates."

ORGANIZED LABOR and others have called on Congress to extend the Credit Control Act of 1969. President Carter's use of that Act early in 1980 brought down interest rates dramatically.

Through credit controls, credit for such unproductive uses as corporate takeovers could be restricted. This would leave more credit available for such constructive and job-creating purposes as home loans and plant modernization.

Congress must begin assuming more responsibility for the economy before it sinks even deeper into a depression.

Fighting Rules, Not Hazards

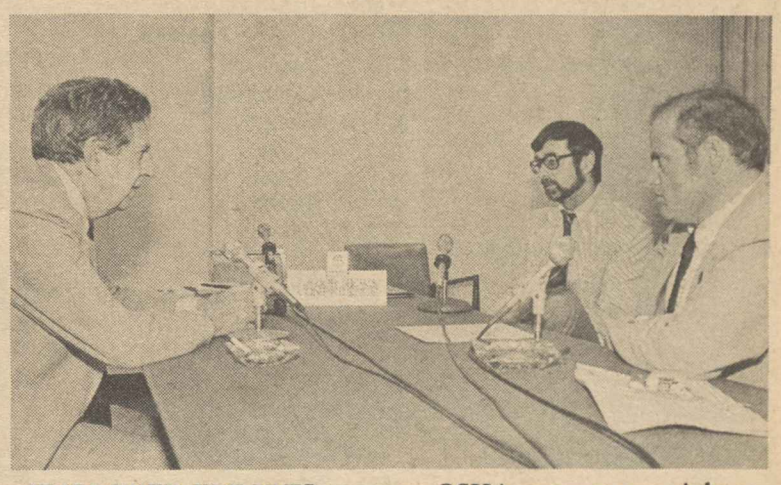
Industry's Safety Role Scored

EMPLOYERS ARE spending more to escape from coverage of the federal job health and safety law than they are spending to correct workplace hazards that kill, maim and disable hundreds of thousands of workers every year, AFL-CIO Occupational Safety & Health Director George Taylor charged in a network radio interview.

Industry is not "straining itself" to improve job site conditions, Taylor observed, pointing out that its major emphasis and most of its resources are concentrated in legal battles and administrative procedures aimed at preventing OSHA from operating. He said the estimated $3 billion that industry will put into on-the-job health and safety this year is about the same amount industry was spending on that effort before the federal safety law was signed into law 12 years ago.

Questioned by reporters on the AFL-CIO program, Labor News Conference, Taylor said President Reagan's OSHA administrator, Assistant Labor Sec. Thorne Auchter, displays "a great deal of enthusiasm" in neutralizing the worker protections that Congress shaped to "end this terrible human carnage." He said that although Auchter, when he came into office, assured the labor movement that he would make only minor management changes and rule refinements, he "has made fundamental changes" that have actually led to retrogression.

Taylor charged that Auchter has taken the lead in the drive to water down health standards, weaken the enforcement process, cut worker health and safety training programs and turn the responsibility for workplace safety and health back to the states, whose poor records in that area were the main reason for adoption of the law.



EMPLOYER EFFORTS to escape OSHA coverage are siphoning off most of the resources industry is willing to spend on workplace health and safety, AFL-CIO Occupational Safety Director George Taylor, center, charged on Labor News Conference. He was questioned by Robert Cooney, left, of Press Associates, Inc., and Lance Gay of the Scripps-Howard Newspapers. The AFL-CIO produced public affairs program was aired over the Mutual radio network.

House Vote Kills Job-Building Budget

The House had a choice on June 10 between a Democratic budget plan that would have helped get America back to work and a Republican plan that makes deep new cuts in programs for the needy and endangers unemployment insurance benefits in 25 states.

It made the wrong choice when it rejected the Democratic plan on this key 225-202 rollcall. Voting right (R) were 199 Democrats and 3 Republicans. Voting wrong (W) were 39 Democrats and 186 Republicans.

Numerals show congressional districts. A—absent; PR—paired right; PW—paired wrong.

ALABAMA
1. Edwards (R) W
2. Dickinson (R) W
3. Nichols (D) W
4. Bevill (D) R
5. Flippo (D) R
6. Smith (R) W
7. Shelby (D) W

ALASKA
AL Young (R) W

ARIZONA
1. Rhodes (R) W
2. Udall (D) R
3. Stump (D) W
4. Rudd (R) W

ARKANSAS
1. Alexander (D) R
2. Bethune (R) W
3. Hammerschmidt(R) W
4. Anthony (D) R

CALIFORNIA
1. Chappie (R) W
2. Clausen (R) W
3. Matsui (D) R
4. Fazio (D) R
5. Burton, John (D) PR
6. Burton, Phillip (D) R
7. Miller (D) R
8. Dellums (D) W
9. Stark (D) R
10. Edwards (D) R
11. Lantos (D) R
12. McCloskey (R) W
13. Mineta (D) R
14. Shumway (R) W
15. Coelho (D) R
16. Panetta (D) R
17. Pashayan (R) W
18. Thomas (R) W
19. Lagomarsino (R) W
20. Goldwater (R) PW
21. Fiedler (R) W
22. Moorhead (R) W
23. Beilenson (D) R
24. Waxman (D) R
25. Roybal (D) R
26. Rousselot (R) W
27. Dornan (R) A
28. Dixon (D) R
29. Hawkins (D) R
30. Vacancy
31. Dymally (D) R
32. Anderson (D) R
33. Grisham (R) W
34. Lungren (R) W
35. Dreier (R) W
36. Brown (D) R
37. Lewis (R) W
38. Patterson (D) R
39. Dannemeyer (R) W
40. Badham (R) W
41. Lowery (R) W
42. Hunter (R) W
43. Burgener (R) W

COLORADO
1. Schroeder (D) R
2. Wirth (D) R
3. Kogovsek (D) R
4. Brown (R) W
5. Kramer (R) W

CONNECTICUT
1. Kennelly (D) R
2. Gejdenson (D) R
3. DeNardis (R) W
4. McKinney (R) W
5. Ratchford (D) R
6. Moffett (D) R

DELAWARE
AL Evans (R) W

FLORIDA
1. Hutto (D) W
2. Fuqua (D) W
3. Bennett (D) W
4. Chappell (D) W
5. McCollum (R) W
6. Young (R) W
7. Gibbons (D) R
8. Ireland (D) W
9. Nelson (D) R
10. Bafalis (R) W
11. Mica (D) R
12. Shaw (R) W
13. Lehman (D) R
14. Pepper (D) R
15. Fascell (D) R

GEORGIA
1. Ginn (D) R
2. Hatcher (D) R
3. Brinkley (D) W
4. Levitas (D) W
5. Fowler (D) R
6. Gingrich (R) W
7. McDonald (D) W
8. Evans (D) R
9. Jenkins (D) R
10. Barnard (D) W

HAWAII
1. Heftel (D) R
2. Akaka (D) R

IDAHO
1. Craig (R) W
2. Hansen (R) W

ILLINOIS
1. Washington (D) R
2. Savage (D) W
3. Russo (D) W
4. Derwinski (R) W
5. Fary (D) R
6. Hyde (R) W
7. Collins (D) R
8. Rostenkowski (D) R
9. Yates (D) R
10. Porter (R) W
11. Annunzio (D) R
12. Crane, Philip (R) W
13. McClory (R) W
14. Erlenborn (R) W
15. Corcoran (R) W
16. Martin (R) W
17. O'Brien (R) W
18. Michel (R) W
19. Railsback (R) W
20. Findley (R) W
21. Madigan (R) W
22. Crane, Dan (R) W
23. Price (D) R
24. Simon (D) R

INDIANA
1. Benjamin (D) R
2. Fithian (D) R
3. Hiler (R) W
4. Coats (R) W
5. Hillis (R) W
6. Evans (D) R
7. Myers (R) W
8. Deckard (R) W
9. Hamilton (D) R
10. Sharp (D) R
11. Jacobs (D) R

IOWA
1. Leach (R) W
2. Tauke (R) R
3. Evans (R) R
4. Smith (D) R
5. Harkin (D) R
6. Bedell (D) R

KANSAS
1. Roberts (R) W
2. Jeffries (R) W
3. Winn (R) W
4. Glickman (D) R
5. Whittaker (R) W

KENTUCKY
1. Hubbard (D) R
2. Natcher (D) R
3. Mazzoli (D) R
4. Snyder (R) W
5. Rogers (R) W
6. Hopkins (R) W
7. Perkins (D) R

LOUISIANA
1. Livingston (R) W
2. Boggs (D) R
3. Tauzin (D) W
4. Roemer (D) W
5. Huckaby (D) W
6. Moore (R) W
7. Breaux (D) W
8. Long (D) R

MAINE
1. Emery (R) W
2. Snowe (R) W

MARYLAND
1. Dyson (D) W
2. Long (D) R
3. Mikulski (D) R
4. Holt (R) W
5. Hoyer (D) R
6. Byron (D) W
7. Mitchell (D) R
8. Barnes (D) R

MASSACHUSETTS
1. Conte (R) W
2. Boland (D) R
3. Early (D) R
4. Frank (D) R
5. Shannon (D) R
6. Mavroules (D) R
7. Markey (D) R
8. O'Neill (D) Speaker
9. Moakley (D) R
10. Heckler (R) W
11. Donnelly (D) R
12. Studds (D) R

MICHIGAN
1. Conyers (D) W
2. Pursell (R) W
3. Wolpe (D) R
4. Siljander (R) W
5. Sawyer (R) W
6. Dunn (R) W
7. Kildee (D) R
8. Traxler (D) R
9. Vander Jagt (R) W
10. Albosta (D) R
11. Davis (R) R
12. Bonior (D) R
13. Crockett (D) R
14. Hertel (D) R
15. Ford (D) R
16. Dingell (D) R
17. Brodhead (D) R
18. Blanchard (D) R
19. Broomfield (R) W

MINNESOTA
1. Erdahl (R) W
2. Hagedorn (R) W
3. Frenzel (R) W
4. Vento (D) R
5. Sabo (D) R
6. Weber (R) W
7. Stangeland (R) W
8. Oberstar (D) R

MISSISSIPPI
1. Whitten (D) R
2. Bowen (D) R
3. Montgomery (D) W
4. Dowdy (D) R
5. Lott (R) W

MISSOURI
1. Clay (D) R
2. Young (D) R
3. Gephardt (D) R
4. Skelton (D) W
5. Bolling (D) A
6. Coleman (R) W
7. Taylor (R) W
8. Bailey (R) W
9. Volkmer (D) R
10. Emerson (R) W

MONTANA
1. Williams (D) R
2. Marlenee (R) W

NEBRASKA
1. Bereuter (R) W
2. Daub (R) W
3. Smith (R) W

NEVADA
AL Santini (D) W

NEW HAMPSHIRE
1. D'Amours (D) W
2. Gregg (R) W

NEW JERSEY
1. Florio (D) R
2. Hughes (D) R
3. Howard (D) R
4. Smith (R) W
5. Fenwick (R) W
6. Forsythe (R) W
7. Roukema (R) W
8. Roe (D) R
9. Hollenbeck (R) W
10. Rodino (D) R
11. Minish (D) R
12. Rinaldo (R) W
13. Courter (R) W
14. Guarini (D) R
15. Dwyer (D) R

NEW MEXICO
1. Lujan (R) W
2. Skeen (R) W

NEW YORK
1. Carney (R) W
2. Downey (D) R
3. Carman (R) W
4. Lent (R) W
5. McGrath (R) W
6. LeBoutillier (R) W
7. Addabbo (D) R
8. Rosenthal (D) R
9. Ferraro (D) R
10. Biaggi (D) R
11. Scheuer (D) R
12. Chisholm (D) R
13. Solarz (D) R
14. Richmond (D) R
15. Zeferetti (D) R
16. Schumer (D) R
17. Molinari (R) W
18. Green (R) W
19. Rangel (D) R
20. Weiss (D) R
21. Garcia (D) R
22. Bingham (D) R
23. Peyser (D) R
24. Ottinger (D) R
25. Fish (R) W
26. Gilman (R) W
27. McHugh (D) R
28. Stratton (D) R
29. Solomon (R) W
30. Martin (R) W
31. Mitchell (R) W
32. Wortley (R) W
33. Lee (R) W
34. Horton (R) W
35. Conable (R) W
36. LaFalce (D) R
37. Nowak (D) R
38. Kemp (R) W
39. Lundine (D) R

NORTH CAROLINA
1. Jones (D) R
2. Fountain (D) R
3. Whitley (D) R
4. Andrews (D) R
5. Neal (D) W
6. Johnston (R) W
7. Rose (D) R
8. Hefner (D) R
9. Martin (R) W
10. Broyhill (R) W
11. Hendon (R) W

NORTH DAKOTA
AL Dorgan (D) R

OHIO
1. Gradison (R) W
2. Luken (D) R
3. Hall (D) R
4. Oxley (R) W
5. Latta (R) W
6. McEwen (R) W
7. Brown (R) W
8. Kindness (R) W
9. Weber (R) W
10. Miller (R) W
11. Stanton (R) W
12. Shamansky (D) R
13. Pease (D) R
14. Seiberling (D) R
15. Wylie (R) W
16. Regula (R) W
17. Vacancy
18. Applegate (D) W
19. Williams (R) W
20. Oakar (D) R
21. Stokes (D) R
22. Eckart (D) R
23. Mottl (D) R

OKLAHOMA
1. Jones (D) R
2. Synar (D) R
3. Watkins (D) R
4. McCurdy (D) W
5. Edwards (R) W
6. English (D) W

OREGON
1. AuCoin (D) R
2. Smith (R) W
3. Wyden (D) R
4. Weaver (D) R

PENNSYLVANIA
1. Foglietta (D) R
2. Gray (D) R
3. Smith (D) R
4. Dougherty (R) W
5. Schulze (R) W
6. Yatron (D) R
7. Edgar (D) R
8. Coyne, James (R) W
9. Shuster (R) W
10. McDade (R) W
11. Nelligan (R) W
12. Murtha (D) R
13. Coughlin (R) W
14. Coyne, William (D) R
15. Ritter (R) W
16. Walker (R) W
17. Ertel (D) R
18. Walgren (D) R
19. Goodling (R) W
20. Gaydos (D) R
21. Bailey (D) R
22. Murphy (D) W
23. Clinger (R) W
24. Marks (R) W
25. Atkinson (R) W

RHODE ISLAND
1. St Germain (D) R
2. Schneider (R) W

SOUTH CAROLINA
1. Hartnett (R) W
2. Spence (R) W
3. Derrick (D) R
4. Campbell (R) W
5. Holland (D) A
6. Napier (R) W

SOUTH DAKOTA
1. Daschle (D) R
2. Roberts (R) W

TENNESSEE
1. Quillen (R) W
2. Duncan (R) W
3. Bouquard (D) R
4. Gore (D) R
5. Boner (D) R
6. Beard (R) W
7. Jones (D) R
8. Ford (D) R

TEXAS
1. Hall, Sam (D) W
2. Wilson (D) W
3. Collins (R) W
4. Hall, Ralph (D) W
5. Mattox (D) R
6. Gramm (D) W
7. Archer (R) W
8. Fields (R) W
9. Brooks (D) R
10. Pickle (D) R
11. Leath (D) W
12. Wright (D) R
13. Hightower (D) R
14. Patman (D) R
15. de la Garza (D) R
16. White (D) W
17. Stenholm (D) W
18. Leland (D) R
19. Hance (D) R
20. Gonzalez (D) R
21. Loeffler (R) W
22. Paul (R) W
23. Kazen (D) R
24. Frost (D) R

UTAH
1. Hansen (R) W
2. Marriott (R) W

VERMONT
AL Jeffords (R) W

VIRGINIA
1. Trible (R) W
2. Whitehurst (R) W
3. Bliley (R) W
4. Daniel, Robert (R) W
5. Daniel, Dan (D) W
6. Butler (R) W
7. Robinson (R) W
8. Parris (R) W
9. Wampler (R) W
10. Wolf (R) W

WASHINGTON
1. Pritchard (R) W
2. Swift (D) R
3. Bonker (D) R
4. Morrison (R) W
5. Foley (D) R
6. Dicks (D) R
7. Lowry (D) R

WEST VIRGINIA
1. Mollohan (D) R
2. Benedict (R) W
3. Staton (R) W
4. Rahall (D) R

WISCONSIN
1. Aspin (D) R
2. Kastenmeier (D) R
3. Gunderson (R) W
4. Zablocki (D) R
5. Reuss (D) R
6. Petri (R) W
7. Obey (D) R
8. Roth (R) W
9. Sensenbrenner (R) W

WYOMING
AL Cheney (R) W

Serembus Elected President

Upholsterers Hike Dues, Press Organizing Goals

Philadelphia—Delegates to the Upholsterers' centennial year convention voted to increase monthly dues and per capita payments and to continue assessments to finance organizing activities.

The convention also elected John Serembus, formerly first vice president, to succeed retiring President Martin L. Garber.

IN APPROVING a two-tiered per capita structure, the 200 UIU delegates called for raising payments $1 for members in locals that have full-time business agents and $2 for those that do not.

Effective next Sept. 1, the per capita payment for business agent-staffed locals will rise from the current $3.25 a month to $3.75 and to $4.25 in September 1983. For locals without busines agents payments will rise from $3.50 to $4.50 in September and to $5.50 a year later.

For U.S. members, the minimum dues will increase from the $8 a month to $10 in September and to $12 in 1983. For Canadian members, the minimum month dues will rise to $9.50 and $11.50 respectively.

Citing a sharp decline in membership attributed to layoffs resulting from the Reagan Recession, the convention approved continuation of the monthly organizing assessment of 25 cents per member to bolster the union's depleted organizing staff.

AFL-CIO SEC.-TREAS. Thomas R. Donahue, in an address delivered by his executive assistant James J. Kennedy, traced the connection between Reaganomics and layoffs as the nation's unemployment rate climbed to 9.5 percent in May.

Donahue charged that Reaganomics is a throwback to discredited trickle-down economic theories of past eras when workers and their unions were used as scapegoats.

"The difference between today and 1919 when Upholsterers President Edwin Graves was sentenced to prison for leading a strike against Chicago working conditions is a difference of degree, not kind," Donahue observed.

"TODAY, THE union-busters don't use clubs but use more sophisticated methods, such as arranging to have President Reagan appoint John Van de Water as chairman of the National Labor Relations Board. And today, we call them 'labor-management consultants' instead of by the more colorful names that pop out of your centennial history."

A portion of the eight-day convention was devoted to the union's centennial observance. The UIU founding convention was also held in Philadelphia on Feb. 5, 1882.

Serembus, who was elected to a four-year term, has been a member of the UIU since 1943. He served as a shop steward of UIU Local 37 in Philadelphia during the 1950s and was named to the union's organizing staff in 1963. He has been a vice president of the UIU since 1970.

The convention unanimously elected Garber president emeritus. Garber had been a UIU vice president since 1953 and succeeded the late Sal B. Hoffmann as president a year ago.

DELEGATES ALSO elected Duane Giesler as first vice president and re-elected UIU Treas. Paul W. Heaton to a new four-year term. Four new vice presidents were elected to the union's executive board: Ernest Shock, upholsterers division; Earl Graves, wood products division; Gary Walston, burial casket division, and Kenneth McAvoy, Sr., at-large.

Kay McMurray Named to Direct Mediation Agency

Kay McMurray, a 64-year-old Republican, has been named by President Reagan to succeed Kenneth E. Moffett as director of the Federal Mediation & Conciliation Board. Moffett plans to remain at the agency.

Moffett, 51, took over as acting director at the beginning of 1981 after the resignation of Wayne L. Horvitz. Moffett was named permanent director 11 months later to avoid legal obstacles preventing reductions in force at the agency.

McMurray served on the National Mediation Board from 1972 to 1977, including one year as its chairman.

Since leaving the NMB, McMurray has served as an arbitrator, primarily in the airline and railroad industries. Earlier, he was a governmental affairs consultant for United Airlines and from 1953 to 1971, he was executive administrator of the Air Line Pilots. A United pilot from 1940 to 1949, McMurray at one time served on ALPA's negotiating committee.

Republican Party Announces New Labor Advisory Council

The Republican Party has formed a new labor advisory council "to open doors of communication" with organized labor.

The council, whose formation was announced by Richard Richards, chairman of the Republican National Committee, will be headed by former Labor Sec. W. J. Usery. It includes leaders of AFL-CIO national, regional and local organizations; unaffiliated unions; three members of Congress, and Gov. James Thompson of Illinois.

RICHARDS SAID that the committee would not engage in policy-making, but as a grass-roots organization "will advise the Republican Committee on ways to develop a constructive dialogue" with labor.

He said one member of the council would be named a nonvoting member of the RNC executive committee, serving in that capacity until rules pertaining to the makeup of the committee can be changed during the 1984 GOP convention. The name of the designated member was withheld pending official announcement.

National representatives of AFL-CIO unions named to the panel are Presidents Jesse Calhoon of the Marine Engineers, Thomas Gleason of the Longshoremen, John J. O'Donnell of the Air Line Pilots and Shannon J. Wall of the National Maritime Union.

REPRESENTATIVES of unaffiliated groups are President Frank Chiappardi of the National Federation of Independent Unions, President John Sytsma of the Locomotive Engineers, and President Leo Marchetti of the Fraternal Order of Police.

Representatives of local and regional organizations are Sec.-Treas. Stan Arnold of the Michigan Building & Construction Trades Council, Sec.-Treas. Dave Richardson of the Nassau & Suffolk County (N.Y.) Building & Construction Trades Council, President Charles Marciante of the New Jersey State AFL-CIO, Vice President Bruce Foster of the Amalgamated Transit Union, Vice President Bill Brogan of Operating Engineers Local 399, and President Bob Cruz of Machinists Local 780.

Richards said that President Roy Williams of the unaffiliated Teamsters has agreed to serve on the committee "at a later time." Members of Congress named to the panel are Sen. John Heinz (R-Pa.), Rep. Margaret Heckler (R-Mass.), and Rep. Claudine Schneider (R-R.I.).

AFL-CIO WOMEN'S TEAM of workers from the federation's headquarters participated in the fourth annual 10-kilometer (6.2 miles) race in Washington's West Potomac Park to raise money for the Heart Fund. The unit was one of three women's teams and 12 union teams entered. From left are Kathy Becker, Dept. of Economic Research; Theresa Malin, Information; Diane Constenoble, Food & Beverage Trades Dept.; Susan Dunlop, Information; Beth Bergman, Industrial Union Dept., and Barbara Warden, Budget Coalition.

Unions Seek Restoration Of Trade Adjustment Aid

(Continued from Page 1)

The Pease bill also would return to the earlier definition of eligibility when imports have "contributed importantly" to unemployment. And while it would not restore the previous provision of cash benefits above unemployment compensation levels, it does provide relocation funds and a $15-a-day stipend for training that continues after unemployment benefits have been exhausted.

FUNDING WOULD be provided largely through customs receipts, in effect requiring importers to pay part of the cost of job displacement.

Koplan said the bill falls short of what the AFL-CIO would like enacted and is not "a substitute for a fair trade policy." But it provides "needed improvements," and the AFL-CIO welcomes the subcommittee's decision to speed consideration of the bill.

One change the AFL-CIO has urged would extend trade adjustment assistance to displaced workers who had been employed providing parts and services to a plant closed down or curtailed by imports.

Powderly told the subcommittee that one-third of U.S. steelworkers are unemployed while more than one out of every five tons of steel entering the U.S. market during the first four months of this year was of foreign origin.

Establishing a trust fund out of custom duties to pay benefits to displaced workers "makes eminent good sense," Powderly declared.

IF THE United States allows foreign producers to "dump their goods into our markets," he said, "we should require that these foreign suppliers pay for the injury to American workers."

Under Sec. of Labor Malcolm Lovell, testifying for the Administration bill, acknowledged that imports have wiped out U.S. jobs, but contended that "spending money is not necessarily the answer." Further, he said, future job losses are more likely to stem from technological changes and "no one really knows" the best solution to the problem.

Majerus, testifying for the UAW, said the problem of job displacements that trade adjustment was intended to alleviate has been worsening, not shrinking.

"UNLIKE MOST recessions, the total value of manufactured imports continues to rise while total U.S. employment declines," he noted.

The Administration's concern over "the inequity of treating one group of unemployed workers different from the larger army of the unemployed might ring more true if there was an adequate federal program to help the growing masses of the unemployed," Majerus commented.

But since there is no meaningful assistance to those out of work, the argument for "equal treatment of the unemployed" amounts to advocating "equally inadequate treatment," he contended.

'Safety Net' Aid Programs Face Deep New Cuts

(Continued from Page 1)

followed, Congress will be asked to vote on a reconciliation bill which will be a composite of committee recommendations.

House Speaker Thomas P. O'Neill, Jr. told reporters he was "bitterly disappointed" that the Democratic plan lost in the House. The 39 defections, although substantially fewer than a year ago, included three black liberals, who said the Democratic budget was too inadequate to support, as well as mostly southern "boll weevil" conservatives.

O'NEILL SAID he had hoped for the support of moderate Republican "gypsy moths" but didn't get it.

In addition to the three Republicans who voted for the Democratic plan—Cooper Evans and Thomas J. Tauke of Iowa and Robert W. Davis of Michigan—12 others voted against the Republican plan. But after the Democratic plan was beaten, there was no doubt in anyone's mind that the Republican alternative would carry—making the "gypsy moth" protest largely meaningless. But their votes would have reversed the outcome of the 225-202 defeat of the Democratic plan.

House Keeps Copyright Act Printing Rule

The House voted 339-44 approval of a labor-supported bill that would continue the domestic manufacturing clause of the Copyright Act for another four years—and save several hundred thousand jobs in printing and related industries.

It's now up to the Senate to complete action by July 1, when a domestic printing requirement that has been in the law since 1890 is scheduled to expire.

The section at issue requires that books written in English by American authors or writers domiciled in the United States must be printed and bound in the United States or Canada in order to obtain full copyright protection.

THE ADMINISTRATION has opposed continuation of the requirement, contending that it is a non-tariff trade barrier of a sort that the United States has opposed in other countries.

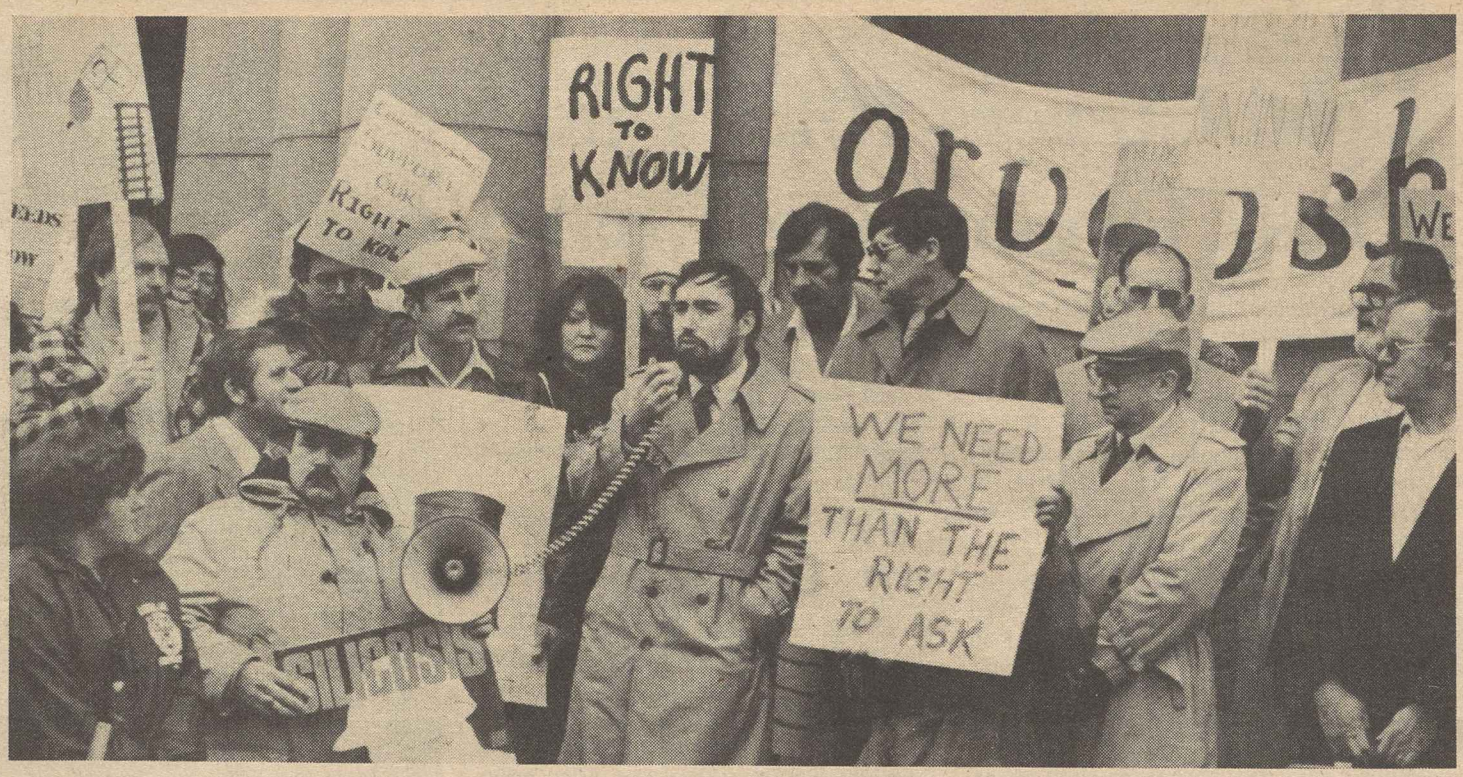
But the four-year extension had overwhelming bipartisan approval, as members stressed the immediate impact on jobs. Hong Kong, Singapore and other low-wage areas have extensive publishing facilities, and the Labor Dept. has estimated a direct loss of 78,000 to 172,000 jobs in printing and publishing, with more than double that number as the ripple effect reaches into related fields such as papermaking.

At committee hearings, AFL-CIO Legislative Rep. Stephen Koplan warned that with more than 10 million Americans unemployed, "Congress can ill afford to watch from the sidelines" while jobs are wiped out "in yet another U.S. industry."

The bill had to clear both the House Judiciary Committee, which approved it by a 22-0 vote, and the Ways & Means Committee, which gave voice vote approval. It was then brought to the floor under a no-amendment procedure which required a two-thirds vote for approval.

WHEN CONGRESS last rewrote the Copyright Act four years ago, it provided for the 1982 phaseout of the manufacturing clause at the urging of book publishers seeking to cut costs by contracting printing abroad.

Senate approval of the House bill will grant a reprieve for the workers whose jobs are threatened, but will leave unsettled the future course. The AFL-CIO had urged that the manufacturing requirement be made permanent.



LABOR-CONSUMER COALITION rallies support for passage of a Cincinnati "right-to-know" ordinance to curb hazards of toxic chemicals in workplaces. Addressing the demonstrators is President Tom Mooney of the Cincinnati Federation of Teachers. The city council adopted the measure over strong opposition by employer groups.

Stalling Tactics Block Senate From Acting on Voting Rights

(Continued from Page 1)

tactics to try to force concessions that would weaken the bill, and perhaps endanger its enactment. He also told reporters that "it has crossed my mind" to offer such high-controversy proposals as anti-abortion and school prayer legislation as amendments to the Voting Rights Act.

In a letter to senators, the AFL-CIO reiterated its strong support for the bill as it came out of the Senate Judiciary Committee. Legislative Director Ray Denison urged its passage "without delay or damage."

Helms began his filibuster on the motion to take up the committee bill. And even after the Senate went through the cumbersome procedure of invoking cloture—which requires advance notice and the votes of at least 60 senators—it took two more days to get the preliminary motion approved.

THE SENATE voted 86-8 for cloture. But even after cloture is invoked, senators can speak for up to three hours each and total debate can be prolonged for up to 100 hours through quorum calls that compel the presence of senators on the floor.

The motion to call up the bill was finally passed on June 17, a full week after it was made. And that marked the official opening of debate on the merits of the bill and of amendments that might be proposed.

As passed by the House, the legislation continues requirements that nine states and portions of 13 others must obtain advance clearance from the Justice Dept. before changing voting laws or election district boundaries. It sets up simplified "bailout" procedures, starting in 1984, for jurisdictions to free themselves of this requirement by demonstrating to a three-judge panel in the District of Columbia a 10-year record of non-discrimination.

TO OVERCOME a Supreme Court interpretation, the bill makes clear that it is not necessary to prove intent to discriminate if an election law change results in discriminaton. The Senate Judiciary Committee allayed concerns about that change by specifying that the law is not meant to impose a racial quota system for elections.

That change—and pressure from congressional Republicans—turned the Reagan Administration from opposition to support of the legislation.

Cincinnati Acts On Labeling of Toxic Hazards

Cincinnati joined a growing list of cities and states that have adopted "right-to-know" statutes requiring employers to inform their workers about toxic substances they encounter on the job.

The hard-fought battle for city council passage of the ordinance was spearheaded by the Cincinnati chapter of the Ohio Public Interest Campaign, a labor-consumer coalition.

ADDRESSING A victory rally, local campaign director Brewster Rhoads termed the ordinance "the strongest right-to-know law in the country," one that could well serve as a model for other communities.

After the Reagan Administration killed a proposed federal toxic labeling standard that had been drafted by the Carter Administration, a nationwide grass-roots campaign was launched by the AFL-CIO for state and local regulation of hazardous substances.

The effort has resulted in the passage of right-to-know laws in seven states—Maine, Connecticut, Michigan, New York, California, West Virginia and Wisconsin—and several cities, including Philadelphia and San Diego. Similar measures are pending in a number of other states and cities.

REAGAN APPOINTEES at the Occupational Safety & Health Administration withdrew the federal toxic labeling proposal under heavy pressure from industry and employer groups. But after labor's grass-roots drive began to show results in the states and cities, employer groups switched signals and persuaded OSHA to propose a watered-down "hazard communication" standard.

Because of its limited scope and weak enforcement provisions, labor safety specialists charged that OSHA's substitute proposal would give employers a "right-to-conceal" regulation by keeping workers in the dark on hazardous substances.

Coverage of the new proposal would extend to only about 14 million workers in manufacturing, while leaving out millions more workers in construction, service trades, mining, farming and transportation.

The Cincinnati ordinance was adopted over the strong opposition of the Chamber of Commerce. Participating in labor's campaign for passage was the Ohio River Valley Committee for Occupational Safety & Health—ORVCOSH.

SPEAKING FOR ORVCOSH, Cincinnati AFL-CIO Executive Sec.-Treas. William P. Sheehan said the ordinance "represents a clear victory for the health of workers and residents of Cincinnati" which has the highest cancer mortality rate of the 35 largest U.S. metropolitan areas.

City Council Member Thomas Brush, chief sponsor of the ordinance, said the city's high cancer death rate is linked to worker exposure to hazardous substances.

High Court Upholds Union Election Rule

A union may bar candidates for office from financing their campaigns with contributions from non-members, the Supreme Court ruled.

Its 5-4 decision upheld a provision in the Steelworkers constitution that had been adopted overwhelmingly by more than 4,000 delegates to the union's 1978 convention.

The AFL-CIO had joined the Steelworkers in the legal defense of the convention's action, and USWA President Lloyd McBride welcomed the Supreme Court decision as signifying that "the union belongs to its members and no one else."

THE SUPREME COURT majority reversed a ruling by the U.S. Court of Appeals for the District of Columbia that the restriction on outside funding conflicts with Landrum-Griffin Act guarantees of rights of union members.

Justice Thurgood Marshall, writing for the court majority, termed the restriction on campaign contributions "rationally related to the union's legitimate interest in reducing outsider interference with union affairs." It was also "reasonably related to the protection of the organization as an institution," the court noted.

The court challenge had been brought by Edward Sadlowski, Jr., and others who had supported his 1977 campaign for president of the Steelworkers.

SADLOWSKI lost to McBride in that election, in which one of the campaign issues was the heavy reliance on outside funds for Sadlowski's campaign.

In the convention held after the referendum election, delegates wrote into the union's constitution a ban against future solicitation or acceptance of financial support from a non-member. The only outside assistance allowed would be an individual's volunteered personal time.

The Supreme Court decision explored and rejected the various arguments raised against the campaign funding restriction.

It noted that the legislative history of the Landrum-Griffin Act shows that "Congress regarded the desire to minimize outsider influence as a legitimate purpose."

WHILE THERE may be an advantage for an incumbent or a candidate supported by an incumbent, the history of the Steelworkers shows that incumbents have been frequently challenged and sometimes defeated. Union staff members are free to take sides or refrain from doing so without reprisal, the court noted, and the union is large enough so that "requiring candidates to rely solely on contributions from members will not unduly limit their ability to raise campaign funds."

Marshall was joined by Justices Lewis F. Powell, William H. Rehnquist, John Paul Stevens and Sandra Day O'Connor in the majority decision.

Writing for the four-member minority, Justice Byron R. White said Congress intended to protect union members against abuses of "entrenched union leadership" through, among other means, "the check of democratic elections."

HE STRESSED that the minority justices were not "by any means" suggesting that the Steelworkers had the characteristics that Congress sought to curb. But the union's constitutional restriction on outside contributions, White held, should be "construed" with reference to the abuses that concerned Congress at the time of the 1959 law.

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Voting Rights Renewal Passes Congress Intact

TWO THOUSAND trade unionists and members of allied groups marched on the Wisconsin state capitol in Madison to protest President Reagan's economic policies. The rally was sponsored by the Madison AFL-CIO with the support of scores of church, civil rights, women's and environmental organizations. Under Reaganomics, rally speakers pointed out, unemployment in Wisconsin has climbed from 7.2 percent in 1980 to 10.4 percent.

Budget Battle Continues on Program Cuts

Congress narrowly adopted a Republican-written budget resolution, but the bloodiest battles are still to come.

To comply with its newly adopted spending ceilings for the fiscal year starting Oct. 1, Congress would have to reduce non-defense programs and services more than $12 billion below current levels.

Nearly half that "savings" would require passage of legislation to cut back on "entitlement" to Medicare and Medicaid health services and programs such as food stamps and family assistance that were heavily slashed in last year's budget.

BUT HOUSE SPEAKER Thomas P. O'Neill, Jr., put Republicans on notice that the GOP will have to swing its own budget axe—and produce the majorities necessary to make each of the mandated cuts.

Last year, the spending cuts needed to meet the budget ceiling were lumped into a single reconciliation bill and adopted intact. In fact, with the White House calling the signals, the reconciliation package was rushed through Congress so fast that most members had only the most general idea of its contents.

This time, O'Neill said, committee recommendations will be brought to the floor one at a time. And if Democratic-controlled committees choose not to make the sharp cuts the budget resolution assumes in a popular program such as Medicare, it will be up to the Republicans to propose and muster a majority for the program cuts needed to maintain the integrity of the budget resolution.

TO COMPLY with the resolution, the tax-writing committees of the House and Senate will have to come up with legislative proposals to bring in an additional $20.9 billion in revenue. That amounts to about 22 percent of the tax cut scheduled to take effect during the fiscal year.

A rise in defense outlays of $26.5 billion in fiscal 1983 would help boost the projected budget deficit to $103.9 billion by Republican computations — and to about $116 billion under the economic assumptions used by the non-partisan Congressional Budget Office.

Because of the high deficit, House Republican leaders had to push hard to get the final version of the budget resolution adopted by a scant 210-208 votes.

THE REPUBLICAN MAJORITY in the Senate mustered a 54-45 vote for the budget, but not without a tongue-lashing from Democratic Leader Robert C. Byrd of West Virginia.

The "deep cuts," Byrd said, are "aimed at our elderly, our working people," who are already battered by recession and high interest rates.

Budget Committee Chairman Pete V. Domenici (R-N.M.) assured the Senate that the budget will be well-received "in the market place."

(Continued on Page 7)

Senate Kills All Moves to Weaken Act

By David L. Perlman

A voting rights bill the civil rights coalition considers vital to preserving hard-won access to the ballot box and the legislative chambers passed Congress intact and will be signed into law by President Reagan.

The year-long legislative battle ended triumphantly with the Senate crushing a filibuster, decisively defeating all weakening amendments, and passing the bill by an 85-8 margin. The House had approved a similar measure last October, 389-24. It agreed unanimously to accept the Senate version without further change in order to avoid the risk of new delaying tactics.

THE LABOR-SUPPORTED bill extends for 25 years enforcement provisions of the Voting Rights Act which otherwise would have expired on Aug. 6. It also clarifies the intent of Congress to bar changes in election laws that result in discrimination, without requiring proof that the jurisdictions involved intended to disadvantage blacks or language minorities.

Despite the one-sided House and Senate votes, the legislation had to overcome numerous obstacles, including the initial hostility of the Reagan Administration.

AFL-CIO Civil Rights Director William E. Pollard termed the outcome "an impressive demonstration that the civil rights coalition remains a strong political force, even in a conservative Congress."

The Leadership Conference on Civil Rights, which includes labor, religious

(Continued on Page 7)

Administration Proposal Scored

House Panel Hits Attack On Service Contract Act

A House subcommittee report accuses the Reagan Administration of attempting to wipe out wage protections of the Service Contract Act and thereby change the law through administrative action.

The report by the Subcommittee on Labor-Management Relations charges that revised regulations proposed by the Labor Dept. last August "are riddled with changes which violate the letter and spirit of the Service Contract Act." It called on the Administration to withdraw the proposals.

At oversight hearings last fall, the AFL-CIO warned that the changes would slash wages and benefits of workers covered by the law and urged Congress to reject the proposals.

"Thousands upon thousands of service contract workers who can ill afford the depressed wages and fringe benefits" would be victimized by the revised regulations if the proposals become final, the report concluded.

The 1965 law, which was twice strengthened by Congress, requires employers who provide services to federal agencies to pay locally prevailing wages and benefits as determined by the Secretary of Labor. It is comparable to Davis-Bacon Act protections for construction workers.

IN ISSUING the proposed revisions, the Administration contended that government expenditures would be substantially cut by reducing paper work for contractors.

But the subcommittee report said that the Administration analysis of the proposed revisions contained "fundamental flaws," including the failure to measure the impact of the changes on workers and the use of erroneous methodology.

The analysis "fails to take into account that the Service Contract Act is a remedial statute enacted for the benefit of service contract workers," the report points out.

"Rather, it is based on the assumption that if proposed regulations slash the wage levels which service contract contractors are required to pay—thereby allegedly lowering government costs—the purposes

(Continued on Page 8)

Big New Price Rise Called Evidence of Policy Failure

By James M. Shevis

A sharp jump in consumer prices in May proves again that the Reagan Administration's only economic policy is one of overall recession, the AFL-CIO charged.

"America has no effective anti-inflation program," Federation Research Director Rudy Oswald declared.

ON A SEASONALLY adjusted basis, the broader of the government's two main consumer price indexes, CPI-U, increased a full 1 percent last month, or 12 percent on an annual basis. The other index, CPI-W, which is used in calculating cost-of-living adjustments under union contracts and government entitlement programs, climbed nearly as much, nine-tenths of 1 percent.

"Trying to bring down prices with an engineered recession that intentionally throws people out of work is folly," Oswald said. "An annual inflation rate of 12 percent to go with an unemployment rate of 9.5 percent is the worst possible news for American workers and their families.

"The Reagan Administration should switch to a program that strives for full employment through credit controls, direct job creation, and ending the suffering of the nearly 11 million Americans out of work. And the fight against inflation should be aimed at the causes, like gasoline, instead of relying on high interest rates."

The May CPI rise was the sharpest in the index since last September's 1.1-percent climb and followed seven months of increases averaging three-tenths of 1 percent. While still below last year's level,

(Continued on Page 7)

47 States Suffer Higher Jobless Rates Over Year

Unemployment rates rose in 47 states and the District of Columbia between April 1981 and April 1982, according to preliminary data released by the Labor Dept.'s Bureau of Labor Statistics.

Michigan continued with the highest jobless rate in the nation, 15.5 percent. Oklahoma had the lowest, 4.9 percent.

The BLS report said 28 states recorded their highest April unemployment rates since these data became available in 1970. The areas with the highest unemployment are located in the East North Central and South Central regions and in the Pacific Northwest.

Among metropolitan areas, unemployment rates rose in 204 of the 222 areas reporting, the BLS said.

Flint, Mich., had the highest jobless rate, at 23.2 percent. Rates over 19 percent were reported by Anderson, Ind., Modesto, Calif., and Youngstown-Warren, Ohio. Stamford, Conn., had the lowest unemployment rate, 3.9 percent.

IAM Ratifies Pact to End Airline Strike

Minneapolis—Northwest Airlines employees represented by Machinists Local 143 returned to work after voting overwhelmingly to ratify a new contract that preserves the union's stand against the hiring of part-time employees.

The airline's proposal to hire 200 part-time workers had been cited by the union as the major issue in its 26-day strike against the company. The Machinists viewed the plan as threatening the loss of full-time jobs.

WHEN NORTHWEST withdrew its proposal and the parties agreed on wage and fringe benefit increases, a settlement covering the 3,600 striking mechanics and related personnel was quickly reached.

Wage increases under the new 38-month contract include a 9-percent boost retroactive to last Nov. 1, 9 percent next Jan. 1, and 5.6 percent on Jan. 1, 1984. Hourly pay for mechanics will rise from $13.39 to $16.80 over the life of the agreement.

Other contract changes include a 30-cent hourly increase in shift differential pay and a rise in monthly pension benefits from $27 to $32 multiplied by a worker's length of service. A number of insurance improvements also were negotiated.

NINETY-TWO percent of the members eligible to vote on the pact favored the agreement. Balloting took place in 36 cities around the country.

The IAM members, who walked off their jobs on May 21, had rejected an earlier company offer by a 5 to 1 margin. During the strike, the airline grounded most flights and used supervisory personnel to get the remainder in the air.

Earlier, members of the Railway & Airline Clerks ratified a new three-year agreement with Northwest. The contract, covering some 3,500 reservation clerks and other workers, provides annual pay boosts and improved pension and health and welfare benefits.

NEW PRESIDENT of Actors' Equity Ellen Burstyn accepts gavel from outgoing president Theodore Bikel at the union's annual membership meeting in New York. Bikel did not seek re-election after nine years in the office. Burstyn is the first woman elected to the top office in the 30,000 member union of theatrical performers, founded in 1913.

Reagan's Economic Policies Draw Heavy Fire in Idaho

Couer d'Alene, Ida.—Delegates to the Idaho AFL-CIO convention here roundly condemned the Reagan Administration for policies that are fueling unemployment and high interest rates.

The 168 delegates to the state's 24th annual meeting called on the Administration to change its course and begin programs "that create jobs instead of providing welfare for the rich."

AFL-CIO PRESIDENT Lane Kirkland told the delegates there has been "a change in the political climate" in the past year with "those who hailed the most heartless budget cuts in history" beginning to have second thoughts.

The Reagan Administration's policies were to "touch off great waves of business confidence and economic growth" but instead have "generated nothing but disaster," Kirkland said.

He told the delegates many Americans "are learning once again, the hard way, that their prosperity does not stem from tax concessions and budget cuts but from a strong foundation of good jobs and decent wages for the workers of America."

THE LABOR movement "is setting out to change Congress" in 1982, Kirkland declared. Although it should be easy to persuade voters "not to send even one more Reaganite to the State House or Capitol Hill," because of "what Reaganism has done in this state and every other," the job will still be difficult because of the large amounts of money being poured into the elections by the opposition, he said.

"What we have going for us," Kirkland said, "is the fact that whatever else it can do, money can't vote. Only people can do that, and people is what the labor movement is all about."

The convention approved constitutional changes to increase the state federation's monthly per capita tax by five cents, bringing the total to 60 cents. The term of the president will be changed from two to four years beginning with the next election in 1983.

At a COPE conference preceding the convention, endorsements were approved for seven top state offices, including Gov. John V. Evans (D), who is seeking his third four-year term.

Evans, who was also a convention speaker, vetoed a "right-to-work" bill earlier this year and would not sign two attempts to repeal the state's prevailing wage law.

THE CONFERENCE also heard and endorsed Democrats Richard Stallings and Larry LaRocca for the state's two congressional seats. Stallings will face incumbent George Hansen, looking for his fifth term, and LaRocca is challenging first-term Rep. Larry E. Craig.

A convention resolution praised the Steelworkers for the union's assistance in helping the state federation and workers cope with the closing of the Bunker Hill silver mine in Kellogg. The mine and smelter, once the state's second largest employer with more than 2,100 workers, was purchased in 1968 by Gulf Resources & Chemical Corp., an out-of-state conglomerate that began the shutdown of the facility in late 1981.

Other speakers included Mike Mitchell, candidate for lieutenant governor; Washington State AFL-CIO President Marvin L. Williams; Oregon AFL-CIO President Irvin H. Fletcher; COPE Region 6 Director Walter Gray, and Earl E. McDavid, national representative of the Union Label & Service Trades Dept.

NFL Players Charge Bias In Lack of Black Coaches

The National Football League Players Association renewed its charge that the team owners are discriminating against blacks in the hiring of coaches.

Although about 50 percent of the players are black, there are no black head coaches and only 19 black assistants, NFLPA President Gene Upshaw told the House Education & Labor Committee's subcommittee on employment practices.

UPSHAW, AN offensive guard with the Oakland Raiders, said the NFL has "hidden behind the premise that there is a lack of qualified blacks" for the 270 coaching positions. "The fact is," he said, "there are many qualified black coaches throughout America" who coach at small schools and produce "some of the best players in the National Football League."

"If you can supply a constant stream of talent for the NFL, many of all-pro stature, as the nation's black coaches have done, then you can also coach in the NFL," Upshaw said.

AFL-CIO Civil Rights Director William Pollard told the committee that the citizens' panel on equity in the NFL, which he chairs, had reviewed a study by a Johns Hopkins University sociologist and agreed with the results showing "an obvious pattern of discrimination" in the owners' hiring practices.

"IT IS OUR belief," Pollard testified, "that the NFL has a network for the recruitment of coaches which limits and denies equal opportunity, especially to blacks."

The study by Dr. Jomills Braddock II titled, "Institutional Discrimination: A Study of Managerial Recruitment in Professional Football," looked at NFL records and 5,000 players' records over the period 1960 to 1979.

In that time, of 261 assistant coaches and 68 head coaches hired, no head coach was black and 20 of the assistants hired were black, the study found.

Braddock, who also testified, said that if black and white players had been promoted from the ranks equally, the 28 NFL teams should have hired 10 black head coaches and at least 92 black assistants.

HE SAID the study showed that in hiring coaches, owners consider educational attainment, professional accomplishments and whether the applicant held one of the so-called leadership positions while a player.

Upshaw emphasized that black players are steered away from those positions—quarterback, linebacker, offensive guard and center—by professional coaches even if they played them in high school and college.

He said he believed NFL Commissioner Pete Rozelle was sincere in saying that he has urged the owners to change discriminatory practices, but he said it is "hard to believe" Rozelle's contention that he is powerless to do more.

Upshaw cited Rozelle's recent negotiation of a record $2.1 billion television contract for the league.

Also testifying were NFLPA Executive Director Ed Garvey, former San Francisco 49ers defensive back Kermit Alexander, former Redskins defensive back Brig Owens, who is secretary-treasurer of the Professional Athletes, and former St. Louis Cardinals running back Johnny Roland.

IUD Presses Job Disease Benefit Plan

Atlanta—The AFL-CIO Industrial Union Dept. has called on Congress to legislate a comprehensive federal program that would adequately compensate victims of occupational disease.

A resolution adopted at the IUD executive council's quarterly meeting here said that a federally administered workers' compensation program is long overdue and coverage of state plans is woefully inadequate.

"AT LEAST 100,000 workers die each year from job-related diseases and another 400,000 are disabled from them," the resolution said. "But only about 5 percent of these dead or disabled victims receive any compensation under state workers' compensation programs."

Another problem with state compensation plans, the IUD observed, is that occupational illness frequently doesn't show up for decades after the worker is exposed to the cause, and often not until long after the state deadline for filing claims.

Under the present system, the IUD noted, taxpayers must pay for the cost of treatment and compensation through social security, welfare, Medicaid and veterans' programs.

"UNTIL EMPLOYERS are required to shoulder the full burden for occupational diseases, they will have no economic incentive to improve job safety and health," the resolution maintained.

Rep. George Miller (D-Calif.), chairman of the House Subcommittee on Labor Standards, addressed the council on the legislative prospects of a federal occupational disease compensation program.

In other resolutions, the 24-member council urged IUD affiliates to negotiate automatic checkoff provisions for political fund contributions in contract bargaining, and voiced support of the collective bargaining goals of the National Football League Players Association. A key NFLPA contract objective in current negotiations with team owners is the allocation of a fixed portion of gross revenues to players' salaries and benefits.

IN OTHER action, the council approved the affiliation of the Hotel Employees & Restaurant Employees, bringing the number of IUD affiliates to 59.

The 59-member IUD executive board also held a one-day meeting at the Martin Luther King, Jr., Center. Presentations were made by Coretta Scott King and the Rev. Joseph E. Lowery, president of the Southern Christian Leadership Conference.

CBS Technicians Win Major Gains In New Contract

Columbia Broadcasting System radio and television technicians represented by the International Brotherhood of Electrical Workers ratified a new three-year contract providing substantial improvements.

The national agreement, which is retroactive to Oct. 1, 1981, covers about 2,000 workers at radio and TV stations and news facilities across the country that are owned and operated by CBS. The workers are skilled technicians and engineers.

IBEW President Charles H. Pillard said wages under the agreement will rise in stages from $560 to $710 a week over the three-year term of the pact.

Other gains widened work area jurisdiction and provided improvements in per diem expenses, meal premium payment, overseas premium pay, travel insurance coverage, dental care, and vacation pay for temporary employees.

Pillard said the new agreement, which was worked out with the aid of the Federal Mediation & Conciliation Service, was approved by a substantial majority of members covered by it. Negotiations had been under way since July 1, 1981.

At ILO Assembly

Worldwide Effort Urged To Curb Unemployment

Geneva—Irving Brown, director of the AFL-CIO Dept. of International Affairs, called on governments, trade unionists and industry at the International Labor Organization's annual conference here to develop "mutually acceptable programs" to meet the world's unemployment problems.

As the only organization that brings together governments, workers and employers, the "tripartite voice of the ILO must be heard" wherever the unemployment problem is tackled, Brown said in his principal address as the U.S. worker delegate to the three-week assembly.

THE ILO'S audience should extend not only throughout the United Nations and all its agencies, he continued. It should reach to such high levels of the industrialized nations as the Organization of Economic Cooperation & Development and their economic summit conferences, he said.

Turning directly to the plight of jobless young people that ILO Director Gen. Francis Blanchard highlighted for the conference, Brown warned that jobs for them should not be created by the "lowering of workers wages and standards."

"We must resist programs that result in the creation of an army of low-paid young workers," he continued. "There must not be established a new class to be exploited by offering jobs at any price and under any kind of working conditions."

BROWN REGISTERED his "deep resentment" that Lech Walesa, interned head of Poland's Solidarity trade union movement, was not back as Poland's worker delegate.

He congratulated Alfonso Grados Bertorini, Peru's labor minister, for having forthrightly denounced Walesa's absence as well as the denial of freedom of association and other trade union rights in many other parts of the world besides Poland.

"It is in this same spirit that we also support the struggle against apartheid in South Africa," Brown said. "We must now rededicate ourselves to this struggle in South Africa and in all countries where freedom of association is menaced, absent, or being smashed," he urged.

These remarks pricked the Polish government delegate, Ryszark Karwanski, into protesting what he termed Brown's "slanderous allegations" that the "constitutional authorities" were responsible for the disappearance of freedom of association in Poland.

Meanwhile, communist-backed Arab attempts to use the ILO for political ends suffered at least two temporary setbacks early in the UN labor agency's session.

The first came when the conference's resolutions committee voted to give top priority to a resolution sponsored by Brown and other free workers calling on the ILO to intensify its campaign to promote freedom of association and trade union rights "everywhere in the world."

THE VOTE relegated to second place in the order of the committee's consideration a politically motivated anti-Israel resolution. Presented by 16 Arab countries, this proposal wants the ILO to observe a "day of solidarity" with the Palestinians.

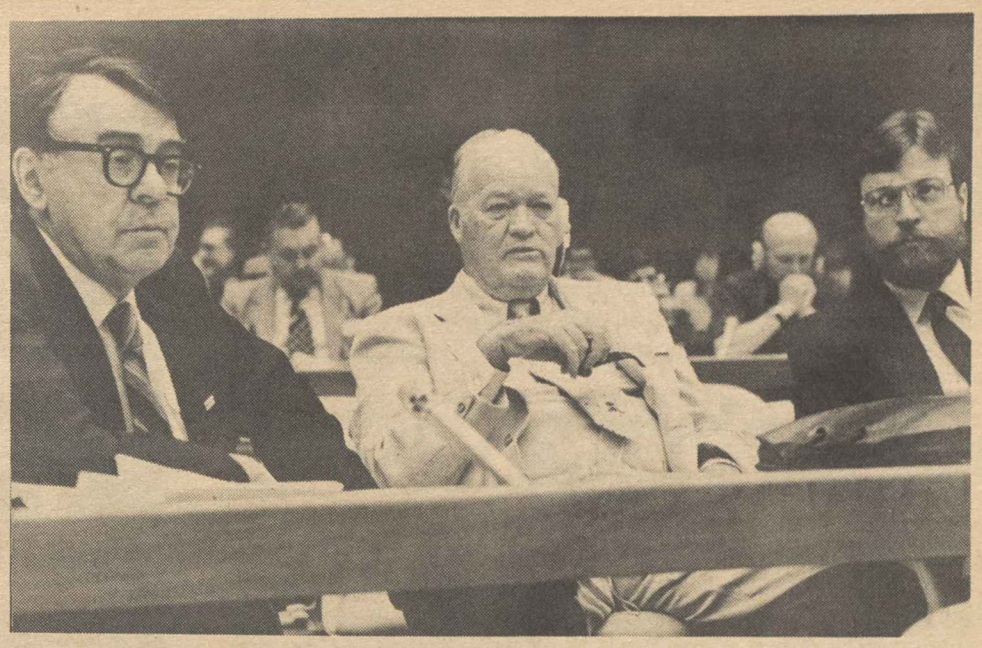
Then, Conference President Grados, after consulting with other conference officers, refused the request of the Arab delegations that he read out a letter viciously attacking Israel that they had addressed to him.

Instead, Grados said that because of the political nature of the letter, he would simply forward it to UN Sec. Gen. Javier Perez de Cuellar.

The conference's committee that oversees how member governments observe their ILO commitments hauled the Polish government on the carpet for denying Polish workers' rights spelled out in the ILO freedom of association convention.

THE WATCHDOG group rejected communist contentions that it was unduly interfering in Poland's internal affairs. Instead, it endorsed in its report to the conference a finding that Warsaw's "general suspension of trade union activities constituted a serious infringement" of the convention.

Poland was told it should fully realize in the "near future" the principles and objectives of the convention both "in law and in fact."



U.S. WORKER DELEGATE Irving Brown, left, and advisers Edward J. Hickey, Jr., center, and Michael Boggs listen intently to discussions at this year's International Labor Organization conference of member states. Brown is director of the AFL-CIO Dept. of International Affairs. Boggs is assistant department director. Hickey, an attorney, is legal adviser to the U.S. worker delegation.

Polish Worker Assures ILO Solidarity Continues Struggle

Geneva—Poland's free trade union movement is very much alive, a close associate of Solidarity Chairman Lech Walesa assured some 1,800 worker, employer, and government delegates to the annual meeting of the International Labor Organization.

Bogdan Cywinski, who was authorized by Walesa and by other Solidarity leaders now in enforced exile to represent the Polish union at the ILO meeting, thanked delegates from the free world for their support of Solidarity, and pledged the organization would continue to struggle for the rights of Polish workers.

CYWINSKI, one of those Solidarity leaders who were out of the country when martial law was imposed on Poland last December, created a stir when he took the floor at a caucus of the conference's worker delegations. Delegates from communist-ruled states pounded their desks, and stridently protested Cywinski's appearance.

Led by Vassili I. Prokhorov, billed as vice president of the Soviets' All-Union Central Council of Trade Unions, the communists stomped angrily from the meeting place as trade unionists from all continents chanted "Out! Out!" to encourage their departure.

Cywinski and several other Solidarity representatives were allowed to attend the ILO meeting as members of observer delegations representing the International Conference of Free Trade Unions and the World Confederation of Labor.

AFL-CIO PRESIDENT Lane Kirkland attended the conference in the company of a delegation representing U.S. labor as Pope John Paul II addressed the delegates earlier.

Meanwhile, the delegates were given evidence that constant ILO pressure on member states to make good their commitments to the United Nations body does bring results.

Milos Masek, a government delegate from Czechoslovakia, while addressing the ILO conference's Committee on the Application of Standards, conceded in guarded terms that his government's denials for four years that signers of the Charter 77 human rights manifesto had lost their jobs for political reasons were not always completely accurate.

BUT THE terms were not guarded enough to prevent the committee from accepting the statement as an admission by the Czechoslovak government that it had contravened an ILO human rights convention. This particular convention, or treaty, ratified by Czechoslovakia, bans dismissals for political, religious, color or other discriminatory motives.

Leather Goods Union Elects New Officers

The 15th convention of the Leather Goods, Plastic & Novelty Workers unanimously ushered into office for a five-year term a new leadership team headed by President Ralph Cennamo, Sec.-Treas. Randolfo Bobe and Executive Vice President Domenic Di Paola.

The 250 delegates also approved unanimously several changes in the union's constitution, including increases in per capita payments, local minimum dues and initiation fees, effective July 1.

IN LOCAL unions collecting dues on a weekly basis, the rate will increase from $1.85 to $2.30 per week, while the per capita payment will go from 75 cents to 92 cents weekly. For locals in which dues are paid monthly, the increase will be from $8 to $10 per month, while the per capita payment to the international union will go from $3.25 to $4 monthly.

Further increases will be effective with the first negotiated wage boost on or after Jan. 1, 1983, when minimum dues will go to $2.80 weekly or $12 monthly and the per capita payment to $1.15 weekly or $5 monthly.

In an address to the delegates, AFL-CIO Sec.-Treas. Thomas R. Donahue blasted the supply-side economic policies of the Reagan Administration as "a new version of the infamous and discredited 'trickle-down' theory that precipitated the Great Depression of the 1930s."

HE CHARGED that "the spectre of economic disaster haunts the nation," citing the sharp growth of unemployment, the unprecedented number of business failures and the "chilling" impact of high interest rates and tight-money policy on the housing and automobile industries.

"The poor are becoming poorer," Donahue observed, "while millions of middle-class persons, including workers, are thrown into poverty."

Donahue called on the delegates to help mobilize support for Solidarity Day II—Election Day, Nov. 2—urging them to "make union members out of dues-paying members."

Another major speaker, Rep. Mario Biaggi (D-N.Y.), denounced the Administration's budget policies as a "facade" behind which "they are wrecking the social programs which have been built up during the past five decades." Biaggi noted that a focal point in this offensive is the social security system.

HE STRESSED that with the "full backing of organized labor," it would be possible for the Democrats to dislodge the Republican control in the Senate and to enlarge Democratic majorities in the House of Representatives.

Other speakers included COPE Director John Perkins and his predecessor, Al Barkan; Josyln Williams, president of the Washington, D.C., Central Labor Council; Stanley Nehmer, economic consultant who discussed the impact of Reagan's Caribbean Basin Initiative on the leather goods industry; John Mara, secretary-treasurer of the AFL-CIO Union Label & Service Trades Dept.; Frank Drozak, president of the Maritime Trades Dept.; Sandy Newman, director of Project Vote, who pointed out practical ways in which to maximize registration and vote-getting results; Sid Lew of the Community Services Dept. of the New York City Central Labor Council, and Ben Feldman, president emeritus of the union, who reminded the delegates that the union will be celebrating its centennial in 1986.

Cennamo, the union's new president, has served as secretary-treasurer since 1976. He succeeds Frank Casale, who resigned in March. Sec.-Treas. Bobe had been assistant manager of the union's four joint boards for the past two years.

Elected with the top officers were six vice presidents—Rita Palter, Charles R. Szabo, Carmine Salvatore of New York State, Peter Donatello of New Jersey, Ernest Jean of Massachusetts and Andrew McKenzie of Missouri.

AMONG THE 52 resolutions adopted, was an indictment of the Reagan policy on international trade, including the whittling down of adjustment assistance and the introduction of the Caribbean Basin Initiative which was denounced as "another potential contributor to the job erosion our members suffered as a consequence of the leather goods industry in this country being placed on the sacrificial altar of phony free trade."

The delegates on two successive days went to Capitol Hill in busloads to contact their senators and congressmen to impress upon them the need not only to scuttle the Caribbean Basin Initiative but also to strive for a fairer and more equitable trade policy. The group also visited the George Meany Center for Labor Studies.

Yardmasters Sign Pattern Accord With Railroads

The Yardmasters approved a new 39-month agreement with the nation's major railroads, leaving the United Transportation Union and the unaffiliated Locomotive Engineers the only unions yet to settle with the industry.

The pact follows the general pattern of the agreement negotiated and signed last November by six unions and subsequently approved by four others. Wage and cost-of-living adjustments over the life of the agreement are estimated to yield a total increase of 32.5 percent.

The UTU's negotiations with the National Railway Labor Conference, the bargaining agent for the carriers, are being mediated by the National Mediation Board.

UTU President Fred A. Hardin said the main obstacle in the talks was the carriers' demand for national negotiations on what historically have been local work rules.

The BLE is in a 30-day cooling-off period after rejecting arbitration.

Who Gave Us This Mess?

WHEN THE REAGAN Administration first proposed its economic program 17 months ago, the AFL-CIO stood nearly alone denouncing it for being inherently unfair and clearly unworkable. Time has proved the federation was correct—our worst fears and predictions have come true.

Halfway through the Administration's second year, this is the picture: the economy has suffered two quarters of serious, total decline, the worst recession since 1937; unemployment at 9.5 percent is the highest since the mid-1930s; bankruptcies and foreclosures are at all-time highs.

When the White House is asked about this cruel profile, the answer is, well, we lowered inflation. Now, the latest price index for May suggests that that claim may be short-lived.

Wait until interest rates come down, the Reaganites proclaim. Well, interest rates are up again after some modest softening.

When it comes to that sore issue of budget deficits and their effect on interest rates, the White House points the finger toward Congress. Well, again, some facts: the President's budget did not get a single vote in Congress; his own party abandoned that scheme and the President never submitted a replacement.

THE CONGRESS will next address the question of raising revenues in order to keep the record-high deficit within some kind of reasonable dimension. But the White House prefers to cut more social spending; it will not hear of taking back the big tax giveaways of 1981 which have torn the back door off the Treasury and contributed so greatly to the deficit.

All of this adds up to the question of responsibility—who is to suffer the political indictment for permitting the economy to get into such a mess?

The AFL-CIO has said the blame goes directly to the Reagan White House and its advisers who put together the voodoo economic policy that old-timers recognized from the beginning as the discredited trickle-down theories of 50 years ago.

As time goes on, more and more reputable observers are reaching the same conclusion.

The New York Times, for instance, put the lie to President Reagan's recent claim that "there have been no budget cuts," that only the rate of spending growth has slowed. "That's the kind of statement that has given Mr. Reagan such a reputation for compassion," the Times said. "Almost any way you slice the budget figures, spending for people in need is being cut. The poor are being penalized. The special pleaders, if that's how Mr. Reagan thinks of advocates for the voiceless poor, are right."

ON THE ISSUE of overall economic management, the conservative British weekly, The Economist, recently examined the President's record following his recent tour of Europe. In conclusion, the magazine observed that Mr. Reagan, "can certainly take credit for having set the terms in which at least part of the political debate in American is conducted."

"But," the editorial continued, "the President must also take the blame for the size of the current recession: it is a direct consequence of his belief that it is possible simultaneously to cut taxes, increase defense spending and balance the federal budget. Mr. Reagan's stubbornness in persisting in this belief could yet undo his presidency."

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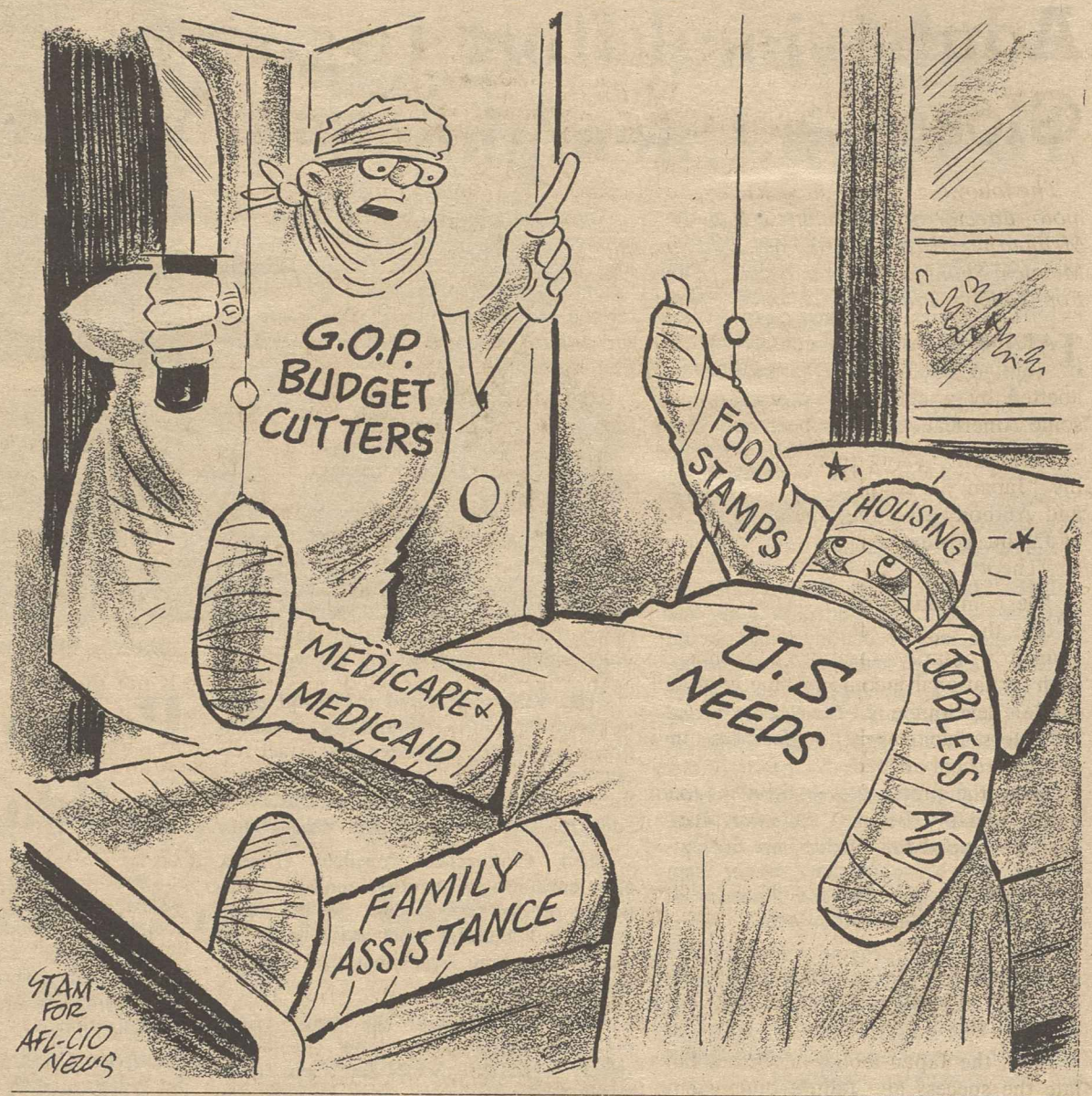

Investments Down in 1982

Hefty Tax Breaks for Business Fail to Bring Promised Outlays

By Gus Tyler

YOU PROBABLY didn't notice because it was just a small item on a back page in a few papers and was totally absent in most papers and in the electronic media. But this datum tells us just about everything we have to know about what has increasingly come to be known as Reaganomics.

First, the fact. "American corporate leaders are continuing to scale back their plans for spending on expansion and modernization, the government reported today. The businessmen estimate a 2.4 percent decline this year from their 1981 outlays, after allowing for inflation." That's the lead in the story sent out by the Associated Press from Washington, D.C.

BUT PLAINLY, American business is putting less into business this year than last year.

But, it was not supposed to be that way. American business was given gigantic tax breaks so it would put more into expansion and modernization, to create new jobs and to make facilities more productive. They were given investment credits; they were given lower taxes on capital gains; they were given a 5 percent cut on personal income taxes, a benefit that added up to billions for an economic elite.

The rich were enriched because, it was proclaimed, their riches would enrich everyone as those great riches flowed into the economy—to expand and modernize.

But that money is not flowing into the economy; it isn't even trickling down; indeed less of it is being invested in 1982 than in 1981 before the great tax bonanza.

IN EXPLAINING what is happening, Commerce Sec. Malcolm Baldrige says: "The general downward revision in business investment reflects low levels of operation and the continuing interest rate problems."

"Low levels of operation" means that facilities are being run at levels far below their capacity. Why? Because most of the people in this country—those who live on wages and salaries—have seen their buying power shrinking, so they can't buy; and our productive plant is idled.

"Continuing interest rate problems" means that our interest rates are too high. But these high rates were set high as a means to restrain the economy, on the cockeyed belief that that's the way to check inflation.

But there is still another reason why businessmen are not putting money into their businesses. There is a faster way of making a fast buck: by speculation. Almost $83 billion went into businesses buying businesses last year instead of businesses expanding and modernizing businesses.

IF THE PRESIDENT and Congress really want to get businessmen to invest productively:

Repeal the tax cut for the elite and give a better break to the other hard-working citizens.

Then tell the Federal Reserve Board to lower the interest rates.

Finally, raise the tax on capital gains (unless it is on new issues) so that speculation will be discouraged and true investment encouraged.

In other words, pursue Reaganomics in reverse.

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Fighting Inflation The Wrong Way

The May jump in consumer prices, led by food and energy proves again that America has no effective anti-inflation program. An annual inflation rate of 12 percent to go with an unemployment rate of 9.5 percent is the worst possible news for American workers and their families.

Trying to bring prices down with an engineered recession that intentionally throws people out of work is folly.

The Reagan Administration should switch to a program that strives for full employment through credit controls, direct job creation, and ending the suffering of the nearly 11 million Americans out of work. And the fight against inflation should be aimed at the causes, like gasoline, instead of relying solely on high interest rates.

—AFL-CIO Research Director Rudy Oswald, June 22, 1982.

Distorted Image

Adulators of Japan's Growth Gloss Over Serious Drawbacks

The following is from an article by Yoshio Sugimoto, director of the Japanese Studies Center in Melbourne, Australia. It appeared in Japan's Mainichi Shimbun and was translated by the Asia Foundation's Translation Service Center.

JAPANESE ARE beginning to look down on foreign countries. This scornful attitude is abetted by a chorus of praise for Japan from some American and European scholars.

Prominent among them are Ezra F. Vogel in his "Japan as Number One," Richard Pascale and Anthony G. Athos, co-authors of "The Art of Japanese Management," and William G. Ouchi of "Theory Z."

The common assumption behind these works is that the degree of a society's success can be gauged primarily through economic indicators such as national income productivity and technological development. Viewed in terms of these indicators, Japan's phenomenal economic growth in the recent decades is clearly outstanding. Hearing the praise from abroad, Japanese have understandably become self-confident and have even developed feelings of superiority.

INSOFAR AS the Japan-directed scholars added a new dimension to development theory, their books have made a contribution to the social sciences. But I see serious flaws in the way they analyze Japanese society today. Let us consider three of them.

First, the Japan-model advocates fail to correlate the success and failure dimensions of Japanese modernization. They do not altogether ignore the darker aspects such as environmental pollution, sexual discrimination, the disparity between big and small businesses, poor housing, and the pathological effects of frantic competition for entrance into prestigious schools.

Books and articles written largely in praise of Japan mention these problems. But they treat the negative phenomena as though they were isolated from the more positive aspects.

In Japanese society, as in any other, all component parts are interdependent. Economic growth is sustained at the cost of environmental disruption. Concentration of business activity in large cities causes workers to endure long rides on packed commuter trains. Any serious discussion of Japan's development should evaluate the cause-and-effect relationship between favorable and unfavorable factors.

A BALANCED assessment of Japan's modernization is particularly important when the Japanese experience is being considered as a development model for other nations. Any country trying to fashion itself after Japan will have to accept both the strengths and weaknesses of the model.

The second problem in the adulation of Japan is its built-in bias toward elitism. Advocates of the "learn-from-Japan" thesis give credit for Japan's success to concentration of men of high caliber in the central government and large corporations.

They have a point, but hidden behind the argument is the assumption that those working in small and medium industry and local governmen agencies are inferior in intellect and ability.

These avid sympathizers of the Japan model project this centralization of intellect as the core requirement for economic development. They say it is an ideal pattern for distribution of human resources. A discriminatory classification of jobs into two categories based on IQ is accepted as necessary to smooth economic growth. This line of thinking is not only unethical but reveals flaws in the development theory itself.

THE ELITE employees in the central government and leading corporations naturally find the meritocracy concept appealing. But there has been no empirical proof of the correlation between the pattern of IQ distribution and economic growth.

Moreover, GNP growth alone is not the most important thing for society. We have yet to find out how information, knowledge and human talent should be allocated in post-industrial society.

The third problem in the Japan boom is the misinterpretation of decision-making by consensus. The popular thesis holds that the Japanese economy grew at the speed it did because both workers and management revel in team play and unanimous decisions.

But does this represent consensus in the true meaning of the term? By definition, consensus means agreement reached voluntarily, without coercion. So-called Japanese groupism has little to do with individual spontaneity.

IF JAPANESE WORKERS contribute voluntarily to their group interests, why do so many companies herd their employes together at the start of the day's work, exhorting them with pep talks and the singing of the company song?

What is called Japan's unique groupism is, in fact, part of an authoritarian political system. Systematic control by management and officialdom is a characteristic of Japanese society. Most theories of the Japan watchers confuse the results of authoritarian control with voluntary consensus.

Japanese offices are usually of an open plan, there are no partitions. The top man in the room can keep an eye on everybody at all times. When there is train service disruption during morning commuting hours, the Japanese worker must get a written certificate from the railway station to explain his late arrival.

Japan's nationalism was once an expression of a weakling challenging the world. Japan has now grown into an economic super-power, and its nationalism is no more than an ideology of self-nationalization by a bully.

THE ADULATION of Japan by foreign observers is being used selectively at home to justify the established social order. Japanese leadership also uses it as an ideological weapon in external negotiations and trade expansion.

The spread overseas of a distorted image of Japan can proliferate international misunderstanding in the guise of international understanding.

By Press Associates, Inc.

THE EXTENSION and strengthening of the landmark Voting Rights Act of 1965 must stand as a victory for that most basic of democratic rights—the right to vote.

The broad, bipartisan support of the legislation marks a defeat for those who would turn back the clock to the dark period when blacks, Hispanics and other minority people were denied the franchise through intimidation of chicanery.

Extending vital provisions of the law, due to expire this August, has been the number one priority of the Leadership Conference on Civil Rights. This coalition of more than 160 labor and other organizations has been on a campaign footing for a year to push the extension through Congress.

THE LEGISLATION has survived the gauntlet of crippling amendments offered and rejected last fall in the House; attempted filibusters by right-wing senators; and, foot-dragging, flip-flops and backhanded "support" from President Reagan and his attorney general.

Congressional opponents of the legislation, a tiny minority led by Sen. Jesse Helms (R-N.C.), exhumed the discredited arguments about states' rights and regional discrimination. One also hears the claim that the federal voting rights law is no longer necessary.

But at hearings last year before a House civil rights panel, a wide array of experienced witnesses testified that the law is needed now as much as ever because the legacy of voting discrimination remains strong in many parts of the country.

This sad fact was documented in a 132-page report released early this year by the Southern Regional Office of the American Civil Liberties Union.

Titled "Voting Rights in the South—10 Years of Litigation Challenging Continuing Discrimination Against Minorities," the report first notes that the 1965 law has resulted in dramatic increases in black voter registration and in election of black officials in the South.

BUT THE REPORT goes on to point out that in none of the southern states covered by the key election law "preclearance" provision "are blacks elected to office in numbers approaching their presence in the population."

Moreover, "voter registration also remains lower for blacks than for whites" in the South, the report states. In Georgia, for example, 73 percent of the whites are registered, but only 56 percent of the blacks.

Under the Act's preclearance provision, nine mostly southern states and parts of 13 other states must submit for prior approval by the Justice Dept. or federal court in the District of Columbia any changes in their election laws and procedures.

Despite the law, the report shows that many jurisdictions have failed to submit changes for preclearance and that others have gone ahead with changes despite Justice Dept. disapproval. This non-compliance has often led to time-consuming litigation.

CHANGES USED to dilute minority voting strength include racial gerrymandering, annexations, switching from ward to at-large voting, and majority rather than plurality votes, which often force black-white runoffs. Times and places for registering also may be made intentionally inconvenient.

Congress now has strengthened the Act by making it easier to challenge discriminatory voting changes.

The law will allow discriminatory "effect" to be considered in judging election laws and procedures, not just "intent," which is hard to prove. This will clear up the confusion about the law created by a 1980 Supreme Court ruling.

It's time for the nation to move forward again in this quest for justice and full political participation by all its citizens.

Reagan's Policies Undercut Union Bargaining Gains

The following is from an address by AFL-CIO Research Director Rudy Oswald to a conference on the impact of current economic policy on labor relations, sponsored by the Institute of Industrial Relations, University of California, Berkeley, June 8, 1982, San Francisco.

THE RADICAL CHANGE in the Reagan economic policies is what is plaguing the nation. While it is no radical departure for a union to listen to company proposals for wage concessions when the company has been in poor financial condition, what is radical is the actions of the federal government pushing the economy deeper and deeper ino a recession.

While various unions have tried to save jobs and companies, there is no way that workers' concessions alone can offset the negative effects of Reagan's program.

THE FIRST debilitating pill of the Reagan program is the tax cut that is supposed to starve the governmental sector so that it can no longer perform. By cutting taxes in a fashion that primarily benefits the affluent and the corporate sector, Reagan's tax program will reduce revenues by $750 billion through 1985, while moving the tax structure further away from any semblance of equity. That $750 billion is more than the total governmental receipts this year.

While Reagan's tax cuts were hailed by his ideologue supporters as the key to increased capital formation and economic growth, real investment and economic growth has in fact declined precipitously in spite of the fact that the Reagan business tax cuts were retroactive to January 1981.

DURING 1981 real buiness investment was lower than its 1979 level, and the decline continued during the first quarter of this year. Moreover, business investment plans for 1982 indicate that real investment will decline for all of this year.

With nearly 30 percent of existing capacity unused, and with interest rates remaining at exorbitant levels, it's not surprising that there is no new investment. The increased corporate cash flow generated by the tax cut is of questionable utility in stimulating investment even in good times. Much of the money will be used for speculation, dividend increases, foreign investment, and mergers and acquisitions. Just look at DuPont's purchase of Conoco and U.S. Steel's merger take-over of Marathon.

BUT THE Reagan tax cuts are even worse in collective bargaining terms. They undo on the tax side everything that collective bargaining tries to do in the private sector.

Instead of improving the distribution of income—as collective bargaining tries to do—the Reagan tax cuts worsen income distribution by virtually eliminating the corporate income tax and by skewing the tax cuts in behalf of the wealthy. How can collective bargaining correct this inequity?

SERVICE AWARDS RECIPIENTS were honored at the A. Philip Randolph Institute's 1982 national conference in Washington. From left are Mrs. Mattie Miller, a Pickens County, Ala., school teacher who accepted the A. Philip Randolph Freedom Award for voting rights organizer Jane Wilder; Institute President Norman Hill; General Sec. Jane Hlongwame of South Africa's Steel, Engineering & Allied Workers; President Eugene Upshaw of the National Football League Players Association who received the Randolph Achievement Award, and Punta Bozeman, who accepted the Randolph Freedom Award on behalf of her mother, Mrs. Maggie Bozeman, a voting rights organizer.

Randolph Institute Conference

1982 Elections Termed Referendum on Reagan

"The 1982 election is as important and perhaps more important than the 1980 presidential race," President Norman Hill of the A. Philip Randolph Institute told over 1,100 black trade unonists and community leaders taking part in the institute's 13th national conference. Hill pointed to the coming elections as "a referendum, not merely on the performance of an incumbent, but on a political philosophy, an entire approach to government and society."

He called the Reagan Administration's conservative supply-side economic policies "a tragic disaster," and urged the delegates to help ensure "that this economic disaster is translated into a political disaster for its architects."

HILL POINTED out that progress for blacks and other minorities is dependent on their ability to appeal to and obtain redress from the three branches of government.

"Today, however, the White House is in the hands of a President who shows little inclination to defend the rights of minorities," he observed. "The Supreme Court, as a result of appointments by Presidents Reagan and Nixon, is more conservative than at any time since the 1950s; the Senate is in the hands of the right; and the House is adrift."

Hill suggested that the only way to change this imbalance is to "get the vote out in 1982 and elect leaders who reflect the will of working people."

AFL-CIO SEC.-TREAS. Thomas R. Donahue praised the contributions of the Randolph Institute to increased black voter participation, the advancement of black workers, and the work of the labor movement as a whole.

Donahue also assailed President Reagan's policies, charging that "this Administration is the first one in history to try deliberately to reverse the direction and halt the progress that we've made toward liberty and justice for all."

The emotional high point of the conference occurred during the screening of "Miles of Smiles: Years of Struggle," a documentary film on the work of A. Philip Randolph and the heroic struggle to establish the Brotherhood of Sleeping Car Porters. The film's narrator, 100-year-old Rosina Tucker, was a contemporary of Randolph and former president of the union's ladies' auxiliary.

ANOTHER highlight of the conference was the presentation of the 1982 A. Philip Randolph Freedom Award to Mrs. Maggie Boseman and Mrs. Julia Wilder, two Pickens County, Ala., voting rights activists, who were convicted of "voting fraud" by all-white juries and sentenced to four and five years imprisonment on the basis of questionable evidence. The award cited them for their commitment to "increased black voter participation."

The A. Philip Randolph Achievement Award was presented to Gene Upshaw, a guard for the Oakland Raiders and president of the National Football League Players Association, who was recognized for his contributions to "the cause of trade unionism."

Also addressing the conference were Sen. Paul Sarbanes (D-Md.) and Washington Mayor Marion Barry, who both issued ringing indictments of the failures of the Reagan Administration, and Ralph Oman, general counsel to the Senate Judiciary Committee, who spoke on behalf of Sen. Charles McC. Mathias (R-Md.), then leading the successful fight for passage of an extension of the Voting Rights Act.

JANE HLONGWAME, general secretary of the Steel, Engineering & Allied Workers, a black trade union in South Africa, gave a stirring account of the struggle of South Africans to achieve human dignity and decent working conditions.

Other speakers included AFL-CIO Vice Presidents Barbara Hutchinson and Frederick O'Neal; AFL-CIO Civil Rights Director William Pollard; COPE Director John Perkins; Metropolitan Washington AFL-CIO President Joslyn Williams; Maryland and D.C. AFL-CIO President Thomas Bradley; Laborers' First Vice President Robert Powell, and former COPE Director Alexander Barkan.

Moral Aspects of Job Safety Explored at IUD Conference

Williamsburg, Va. — Future directions of federal job safety regulation were explored at a conference co-sponsored by the AFL-CIO Industrial Union Dept.'s Labor Policy Institute and the College of William & Mary.

The two-day conference brought together labor leaders, scientists, government officials, management representatives and scholars to examine the values underlying regulation. Funding was provided by a grant from the National Endowment for the Humanities.

In opening the conference, IUD President Howard D. Samuel noted that "the debate over environmental control, particularly the Occupational Safety & Health Administration, has been dominated by economists and scientists."

"What we are seeking to inject into the equation is a sense of the ethical concepts which largely have been ignored in seeking to resolve the complex issues surrounding environmental regulation," Samuel stressed.

The 160 participants heard from leading scholars in philosophy, sociology, law and science, including University of Chicago Prof. Alan Gewirth, a leading moral philosopher.

Gewirth took the position that workers have "generic rights" to health and safety on the job that supersede the "property rights" of employers.

President Robert Goss of the Oil, Chemical & Atomic Workers, who chaired one of the sessions, stressed that rights of workers to freedom and well-being require that they be given all information relevant to their health and safety in the workplace.

IN ANOTHER session, President George Parker of the Flint Glass Workers said, "The bottom line in the debate on OSHA regulations is that money talks. Employers are always going to be more interested in how much a regulation costs than in how many lives it will save."

Dr. Irving Selikoff of Mt. Sinai School of Medicine said government and management must pay more attention to the prevention of occupational disease. Scientific research has advanced to the point where scientists can estimate with precision how many workers will die from exposure to certain chemicals, he said.

In setting OSHA standards, "now the question is, who is going to decide who is going to live and who is going to die," Selikoff said.

The IUD Labor Policy Institute is an independent, non-profit center that serves as a vehicle for research and education on economic and social issues of concern to workers.

Sit-In Persuades Firm to Respond To Union Queries

Pasadena, Calif.—A union sit-down at the corporate headquarters of the nation's largest nursing home operator persuaded the firm to agree to answer questions on its record of violations of state laws and on lawsuits against its facilities.

A 30-hour sit-in at the headquarters of Beverly Enterprises here was staged June 10-11 by AFL-CIO Food & Beverage Trades Dept. President Robert F. Harbrant with four other representatives of the department and local unions of the Service Employees and the Food & Commercial Workers. The union representatives called off the action when the company agreed through its lawyers to answer a list of questions about its record prepared by the FBTD.

Beverly Enterprises owns, leases or manages more than 500 nursing homes in the United States. Fewer than 5 percent are organized.

HARBRANT BEGAN the sit-in when Beverly officers blocked his attempts to introduce resolutions at shareholders meetings. These measures called for an independent study of patient care at Beverly facilities and expansion of the company's board of directors to include former Health, Education & Welfare Sec. Arthur S. Flemming and Virginia Boyack, an expert on aging.

The company agreed June 11 to answer the department's inquiries about the number and type of violations cited by state authorities against Beverly operations and to provide details on settled and pending civil suits brought by patients or their relatives.

Some 300 UFCW and SEIU members, joined by members of the National Council of Senior Citizens and the Gray Panthers, marched in demonstrations outside the Beverly offices June 10 and 11 in support of the sit-in.

Gompers School Honors Novik for Long Service

New York—Morris S. Novik has been given the Friend of Gompers award of the Samuel Gompers Vocational - Technical High School here in recognition of his services to the school. In his youth, Novik was an associate of Gompers.

A radio consultant to the AFL-CIO, Novik was instrumental in founding the school's Charles Zimmerman award, named for a former vice president of the Ladies' Garment Workers. The award offers a cash prize to students demonstrating the highest commitment to the ideals of the labor movement.

July Calendar Announced For Labor Studies Center

Institutes in mini-computers and organizing techniques will be offered during July by the George Meany Center for Labor Studies at Silver Spring, Md. The courses are open to representatives of all AFL-CIO affiliates. There is no charge for tuition.

The AFL-CIO Dept. of Community Services and the American Institute for Free Labor Development (AIFLD) will conduct training sessions on campus during the month as will two AFL-CIO unions. The schedule:

Mini-Computers for Local Unions, July 18-21—A four-day survey for union officers who need an introduction to mini-computers. No prior computer knowledge is expected of the students. The course will be taught in jargon-free language by specialists who understand local union procedures.

Organizing Techniques, July 18-23—A review of the elements in a successful organizing campaign: making the initial survey, programming in-plant committees, developing winning issues, making house calls and responding to employer attacks.

Unions using the center for their own staff training are the Carpenters, July 11-17 and 18-23, and Flight Atendants, July 12-15.

The Dept. of Community Services will conduct an institute for local labor agency leaders, July 6-9. Subjects include program and service goals, coalition building and the use of public relations, television and radio.

The AIFLD will have 40 Spanish-speaking women trade unionists from 17 Latin American countries on campus until July 23. They're studying political theories and trades unions and trade union leadership skills.

Seventy students enrolled in the Meany Center's college degree program will be on campus July 25-30 for their semi-annual week in residence. Four are set to graduate with Bachelor of Arts degrees from Antioch University on July 26.

A new feature of the college degree program will be a two-day institute, July 26-27, for those who have graduated from the program. Its purpose: to update their knowledge on the national economy, changing industrial patterns and scientific developments.

Information on these or other labor studies programs may be obtained from Fred K. Hoehler, Jr., George Meany Center, 10000 New Hampshire Ave., Silver Spring, Md. 20903. Telephone 301/431-6400.

Price Surge Held Proof of Policy Failure

(Continued from Page 1)

the current 6.5-percent inflation rate is expected to come under strong upward pressures in the next few months. Interest rates show no sign of declining, and gasoline prices are on the rise.

"WE NEED several more months to see where the acceleration in May will lead," Commissioner Janet L. Norwood of the Bureau of Labor Statistics told the congressional Joint Economic Committee.

The BLS, which compiles the monthly price index, said three-fifths of the May increase resulted from a "dramatic reversal" in gasoline prices, which increased nine-tenths of 1 percent after falling 6.7 percent in April. Norwood attributed substantial declines in gasoline prices in each of the first four months of 1982 to the world oil glut, but she noted that "inventories have now been drawn down, and it appears that this glut is over."

THE REAL earnings of American workers remained unchanged last month as a rise of seven-tenths of 1 percent in average hourly earnings and an increase of three-tenths of 1 percent in average weekly hours were offset by the month's rise in consumer prices. BLS said that real earnings, or earnings in constant 1977 dollars, were down by 1.2 percent from the year-earlier level, however.

Nonfarm production workers averaged gross weekly earnings of $267.05 in May, a $12.52 increase from a year earlier, but stripped of inflation's impact over the past five years this figure was reduced to $169.45, or $2.53 less than in May 1981. Combined with the tax effect, workers' take-home pay was even less—$146.02 a week.

Besides higher prices for gasoline, jumps in food costs and housing outlays helped push up the May CPI. Food prices rose an adjusted eight-tenths of 1 percent following an increase of three-tenths of 1 percent in April. The housing component of the index went up 1.4 percent after climbing nine-tenths of 1 percent in April, mostly due to a 2.6 percent rise in home prices.

Budget Struggle To Continue on Program Slash

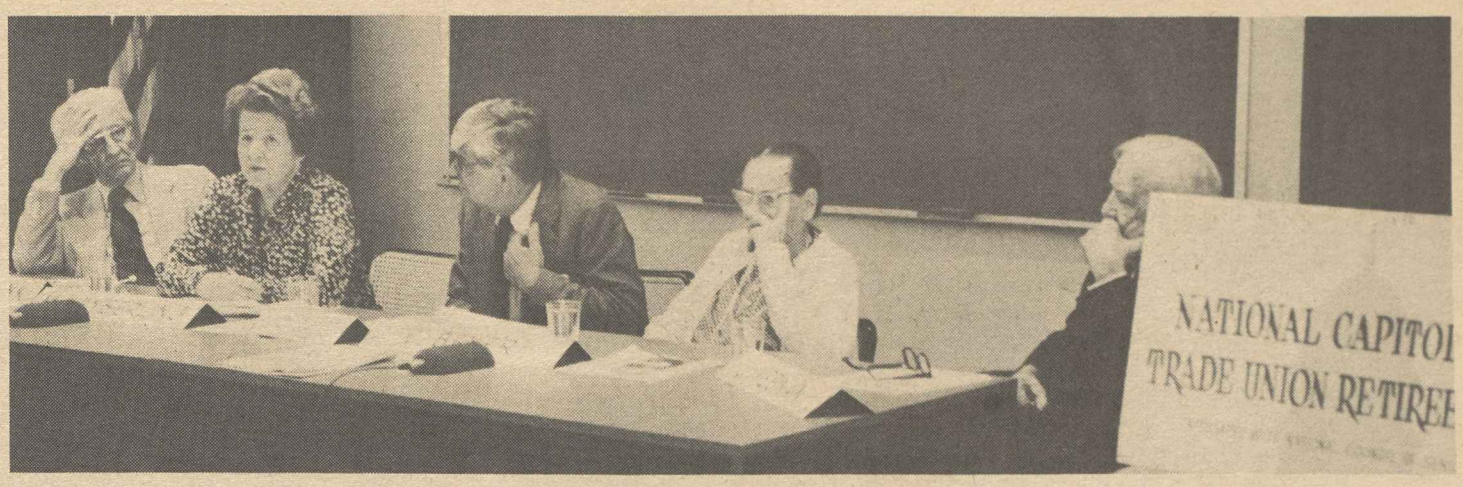
(Continued from Page 1)

The spending ceiling of $769.8 billion is at this point merely a "target." A second and binding resolution is supposed to be adopted before the start of the fiscal year. But the figures in the first resolution will become final if Congress does not adopt a second budget resolution by Oct. 1.

FUTURE congressional decisions will largely determine the nature of the cuts that will be made in the various programs. But these are some of the "assumptions" that went into the House-Senate conference agreement on cutbacks from the amount that would be necessary to maintain current levels of service after adjustment for inflation and for anticipated changes in workload:

- Medicare expenditures to be cut $3.6 billion.
- Medicaid reductions of $700 million.
- Food stamps reduced $900 million.
- Aid to Families with Dependent Children reduced $500 million.
- Education, training, employment and social services cut $1.8 billion, including a cut of $674 million in job training and related programs.

The conferees dropped a Senate provision for a pay freeze for federal workers and "assumed" a 4 percent annual increase for federal civilian and military personnel and a 4 percent "cap" on the cost-of-living adjustments for civilian, military and postal retirees.



UNION RETIREES CLUB of the Washington area heard a panel discussion on New Deal legislation and the Franklin D. Roosevelt years at the George Meany Center for Labor studies. From left are Nelson Cruikshank, former AFL-CIO social security director; Mary Keyserling, a former director of the U.S. Women's Bureau; Daniel Lazorchick, moderator; Clara Beyer, an associate of Labor Sec. Frances Perkins during the FDR years, and Joseph Keenan, a former AFL-CIO vice president and secretary-emeritus of the International Brotherhood of Electrical Workers.

Jobless Rate Skies To 10.2% in Canada

Ottawa—The Canadian national jobless rate soared six-tenths of 1 percent to a seasonally adjusted, post-Depression high of 10.2 percent in May.

Statistics Canada, a federal agency, said the actual number of jobless Canadians, not adjusted for seasonal variations, reached a record 1,241,000 last month — a huge, 45.3-percent increase over the year-earlier level.

As with the United States, Canada is hard hit by economic recession. Unemployment in May rose in every province, with job losses mounting in manufacturing, transportation, communications, utilities, construction, finance and real estate, and public administration.

PATCO Loses Appeal on Issue Of Decertification

The government ruling decertifying the Professional Air Traffic Controllers Organization as the representative agent for the nation's air traffic controllers was upheld by the 2nd Circuit U.S. Court of Appeals.

The 3-to-0 decision found that the Federal Labor Relations Authority "did not abuse its discretion" when it ruled last October that PATCO could no longer represent its members because it had called an illegal strike.

"OBVIOUSLY, we're disappointed," said PATCO President Gary W. Eads. "Although essentially the court's decision leaves us in exactly the same position as we were before the ruling, a reversal of the original FLRA decision might have provided both the government and our union with another chance to settle this entire dispute for the benefit of everyone concerned."

Some 11,000 PATCO members were fired by the Reagan Administration in August 1981 when they refused to call off their strike against the Federal Aviation Administration and return to work.

As to whether PATCO will appeal the appeals court's decision to the Supreme Court, Eads said, "We are considering that option, but as yet we have not made a decision."

More important than any possible appeal, Eads said, "is the question of how to return this nation's air traffic system to a safer and more efficient operation.

"Now that much of the debate as to what penalties should be imposed against PATCO is over, the attention of all of us, in labor and in the government, should be directed toward returning thousands of highly skilled, professional air traffic controllers to their jobs."

SINCE LAST summer's walkout, the air traffic system has been kept operating by nonstriking controllers, supervisors, and controllers borrowed from the military.

Although the union is no longer the exclusive representative of the controllers, Eads said PATCO is still a viable organization.

Year-Long Battle Produces Victory on Voting Rights Act

(Continued from Page 1)

and good government organizations, mustered bipartisan support and co-sponsorship for the bill. It had played the same role when the Voting Rights Act was first adopted in 1965, when it was renewed in 1970, and when it was strengthened in 1975 to deal with problems of language discrimination.

The experience of Mississippi shows why AFL-CIO President Lane Kirkland termed the Voting Rights Act "the most successful of this country's civil rights laws" when he testified at Senate hearings earlier this year.

In 1964, only 6.7 percent of the state's voting age blacks were registered to vote. And in 1965, when the Voting Rights Act was adopted, every Mississippi congressman and both of the state's senators voted against it.

WITH BARRIERS to voting struck down, the percentage of blacks registered to vote in Mississippi climbed above the two-thirds mark. And not by coincidence, three out of five Mississippi congressmen and both of the state's senators voted for the current extension of the law.

At issue was whether states and localities where discrimination was presumed to have existed in the past should continue to need Justice Dept. approval for changes in voting laws or legislative districts.

ANOTHER ISSUE was whether comparable anti-discrimination safeguards for Hispanics and other language minorities should remain in the law. Congress expanded the Voting Rights Act to cover these groups and to assure bilingual election information when it renewed the law in 1975.

Also at issue was the manner in which states or sections of states could get free of the requirement for advance approval of election law changes.

And especially at issue was what civil rights groups saw as an urgent need to overcome a Supreme Court ruling that seemed to require evidence of intent to discriminate before an election law change could be nullified.

THE FIRST stage of the battle was in the House Judiciary Committee, where efforts to shape a bipartisan consensus were only partially successful. Committee Chairman Peter W. Rodino, Jr. (D-N.J.) and Civil Rights Subcommittee Chairman Don Edwards (D-Calif.) held firm against amendments the Leadership Conference considered damaging to the law, and many of the issues were refought on the House floor. But the committee majority was upheld and the bill passed by a one-sided vote after the weakening amendments were beaten.

The Reagan Administration took no position on the House bill. The President indicated he supported the law "in principle," but later indicated the Administration would seek various amendments.

While the Administration was still trying to make up its mind, the civil rights coalition was lining up a majority of the Senate to co-sponsor the House-passed bill, along with Senators Charles McC. Mathias, Jr. (R-Md.) and Edward M. Kennedy (D-Mass.), the principal sponsors.

There was still a serious risk of a filibuster strong enough to at least compel acceptance of weakening amendments as the price of achieving the 60 votes needed to limit debate.

BUT THAT THREAT dwindled when the bill's sponsors worked with Sen. Robert Dole (R-Kan.) to include language specifying that the law does not require a racial quota outcome of elections.

At that point, the Administration hopped on the bandwagon, and only a scant handful of opponents joined the nine-day filibuster that Sen. Jesse Helms (R-N.C.) mounted against the bill.

After an 86-8 vote for cloture, Helms first sought to continue delaying tactics to block a vote, but finally abandoned the effort under pressure from his colleagues. He said he had exacted from the Senate Republican leadership a promise of early consideration of constitutional amendments he has proposed to ban abortions and allow prayers in public schools.

THE CIVIL rights coalition had urged senators to reject all substantive amendments to the Judiciary Committee bill, and the Senate did so by substantial margins.

As finally passed, the legislation allows states to free themselves of the requirement for government approval of election law changes, starting in 1984. They can do so by demonstrating to the satisfaction of a three-judge panel in the District of Columbia a 10-year record of non-discrimination.

Fired Workers Declared Eligible For Postal Jobs

Newark, N.J. — Eighty-six members of the Postal Workers, dismissed from their jobs for participating in strikes four years ago, will be allowed to apply for new jobs in the Postal Service under a court-directed settlement.

Judge Frederick B. Lacey of the U.S. District Court here announced the settlement June 2. While there is no guarantee that applicants will be reinstated, the USPS told the court that all would be fairly considered. Lacey retains jurisdiction over the settlement and will check the USPS's compliance with the order.

The settlement culminates a series of lawsuits against the Postal Service sought by workers at postal facilities in Jersey City and Kearney and by the APWU's New York Area Postal Union. Nearly 100 employees at the two locations were fired in late July 1978 after walking off their jobs. Another 50 workers at a bulk mail facility in Richmond, Calif., were dismissed at the same time.

APWU President Moe Biller called the settlement an important victory for labor, and said he hoped the example it offers would lead to reinstatement for thousands of air traffic controllers fired by President Reagan following their walkout.

As Unemployment Spreads

Emergency Funds Asked For Public Sector Jobs

Legislation to fund 250,000 short-term public sector jobs in unemployment-riddled communities is urgently needed and has labor's strong support, AFL-CIO Legislative Director Ray Denison testified at House hearings.

Denison stressed to a House Appropriations subcommittee the "tragic toll of human suffering and economic waste" as plant closings and layoffs dump new waves of unemployed into a job market saturated by victims of earlier cutbacks.

THE EMERGENCY funding bill that the AFL-CIO endorsed would pump $1 billion for the remaining months of the 1982 fiscal year into public sector and youth employment programs authorized under Titles III and IV of the Comprehensive Employment & Training Act (CETA) but left unfunded since the Reagan Administration took office.

Sponsors of the emergency job-funding appropriations bill include House Majority Leader Jim Wright (D-Tex.), Education & Labor Committee Chairman Carl D. Perkins (D-Ky.) and Augustus F. Hawkins (D-Calif.), chairman of its Employment Opportunities subcommittee, and James L. Oberstar (D-Minn.), chairman of the Economic Development subcommittee of the House Public Works Committee.

Denison reminded the panel that in 1977 Congress put a substantially larger public service program into operation as the unemployment rate was rising to the danger point.

At that time, "at the urging of an administration more attuned to the plight of jobless workers, Congress passed the Economic Stimulus Appropriations Act, providing $8 billion for public service employment," Denison noted. It was signed into law in mid-May, and by the Sept. 30 end of the fiscal year, "597,000 formerly jobless workers—many of them low-income, long-term unemployed persons—had jobs. And much useful community work was done."

The proposed 250,000-job program would be easier to implement and would be "clearly targeted to the areas and individuals with the greatest needs," Denison noted. The temporary jobs funded would include repair and rehabilitation of public facilities, public safety and health services and other community projects.

Denison told the subcommittee of the efforts being made by the AFL-CIO's Human Resources Development Institute to put together programs to help place victims of plant closings and mass layoffs.

IN BIRMINGHAM, he said, HRDI is working with the Steelworkers to counsel and assist displaced workers.

At U.S. Steel's Fairfield plant, some 3,000 workers expect to lose their jobs in the near future, Denison testified. "They will join about 5,500 who were laid off at Fairfield in the past two years," most still unemployed.

Nor is that all. From the same union, Denison noted, the closing of a Pullman plant some 18 months ago threw 2,400 Birmingham area workers out of jobs. These workers have exhausted their unemployment benefits, but their job prospects remain "dismal."

THESE ARE among the people who would have priority for public sector employment if the appropriations bill is enacted, Denison stressed.

The AFL-CIO continues to seek "a large-scale comprehensive jobs and training program" as mandated by the Humphrey-Hawkins full employment law, Denison said.

But until such a program can be enacted, he said, Congress has an obligation to "act promptly" on providing funds for an immediate jobs program.

Republicans Appoint O'Donnell to RNC Post

Air Line Pilots President John J. O'Donnell has been appointed a member of the Republican National Committee's executive committee.

An AFL-CIO vice president, O'Donnell will serve as a nonvoting, ex-officio member of the RNC panel, Chairman Richard Richards of the Republican National Committee said. His appointment brings the total executive committee membership to 46, including 16 ex-officio members.

Earlier, O'Donnell was named to the RNC's new 18-member labor advisory council headed by former Labor Sec. W. J. Usery.

TRANSPORT WORKERS present House Speaker Thomas P. O'Neill, Jr. with petitions calling on Congress to provide the funds needed to keep the Railroad Retirement System alive. The signatures were gathered in the 17 cities where the union has railroad locals and brought to Washington, D.C., during the meeting of the TWU Presidents' Council. Presenting the petition to O'Neill are, from left, TWU Vice President Albert A. Terriego, director of the union's railroad division, and Robert Flohr, assistant director.

Health Care Cost Controls Pressed to Maintain Benefits

The AFL-CIO pressed Congress to reform the method of paying for health care costs instead of reducing Medicare benefits for the elderly and Medicaid services for the poor.

Congress has adopted a budget that will compel fewer services and greater costs for beneficiaries of government health care programs. AFL-CIO Associate Legislative Director Robert McGlotten told a House Ways & Means Committee that's the wrong way to deal with the cost problem.

"IT IS THE providers and suppliers of health care services who decide who needs health care, when they need it and how much they need," McGlotten pointed out.

"Until serious efforts are taken to change the way providers are reimbursed, there is no relief in sight for the federal government or for the financially overburdened consumer," he stressed.

McGlotten expressed the AFL-CIO's strong support for the plan proposed by the Health Security Action Council, whose director, Melvin A. Glasser, also testified at the hearings.

While reaffirming the AFL-CIO's conviction that comprehensive national health insurance is "the only way to assure all Americans access to quality health care they can afford," McGlotten urged immediate steps to bring health care inflation under control.

GLASSER spelled out the proposal advanced earlier this year by the Health Security coalition of prominent Americans and leading organizations. Auto Workers President Douglas A. Fraser is chairman of the council and of its parent Committee for National Health Insurance, and AFL-CIO Sec.-Treas. Thomas R. Donahue is secretary-treasurer of the two groups.

The plan, described in detail in the Apr. 3 issue of the AFL-CIO News, would be phased in over two years. Initially, hospitals and nursing homes would be barred from raising charges higher than the rise in the overall cost of living index. Physicians' fees would be held to present levels under Medicare, Medicaid and private insurance programs, with increases allowed only to cover overhead costs as reflected in the cost-of-living index. The same principle would be applied to laboratory and X-ray services.

AFTER TWO years, a prospective budgeting system would be mandatory for hospitals and nursing homes under state-operated programs that allow some flexibility to meet special circumstances. Physicians' fees would be negotiated with the state agency administering the program, as would contracts with health maintenance organizations.

McGlotten told the subcommittee that this labor-endorsed proposal "is a viable alternative to the pain and suffering that will exist in our country if the Administration's cutbacks in vital health programs are enacted."

Economic Signs Mixed, Layoffs Continue

Private and government reports continued to paint a mixed picture of the nation's economic outlook.

In addition to rising prices and persistently high interest rates, the dark side of the picture showed rising business failures, reduced factory capacity utilization, and other economic weakness.

A tentative government estimate of economic growth in the April-June quarter provided some encouragement in terms of production. The Commerce Dept.'s so-called "flash" figure on real gross national product showed the economy expanding at an annual rate of six-tenths of 1 percent in the current quarter. Real GNP—the value of all goods and services adjusted for inflation—declined a revised 3.7 percent from January to March after falling 4.5 percent in the final quarter of 1981.

OTHER REPORTS from the Commerce Dept. showed a rise in housing starts and in new orders for durable goods placed in May. But analysts in and out of government warned that unless interest rates soon begin to come down, the capital-spending recovery needed to sustain strong growth may not materialize.

With an industry-wide prime lending rate of 16.5 percent, builders must pay banks at least a point or two above that level for construction money, severely crimping their activity. Mortgage rates of between 16 and 17 percent are keeping most prospective homebuyers out of the market.

Meanwhile, Dun & Bradstreet, the financial reporting firm in New York, said that business failures soared for the second consecutive week, bringing the total so far this year to 10,978, the highest level since the Thirties. If the current trend of failures continues, the firm said, 80 of every 10,000 businesses could fail in 1982, compared with about 62 of every 10,000 last year.

BIG COMPANIES, such as Textron Inc.'s Bell Helicopter unit, Asarco Inc., and others, announced layoffs of workers in the face of continued weakness in the economy.

Factory production fell by only two-tenths of 1 percent in May, the Federal Reserve Board reported, but factory capacity utilization fell by the same rate to 70.8 percent. One year ago, factories were using 80 percent of their capacity.

May's drop in the factory capacity rate came despite a production gain in the hard-hit automobile industry.

"The capacity utilization rate for the motor vehicles and parts industry rose substantially in May for the fourth consecutive month, but the industry still was operating at less than 60 percent of capacity," the Fed reported.

AUTO ASSEMBLIES rose to an annual rate of 5.6 million units in May, up about 10 percent from April, the Fed announced in its report on industrial production. Production of lightweight trucks also increased.

The overall decline in output of two-tenths of 1 percent marked the ninth monthly decline in the past 10 months, with the production index of the nation's factories, mines, and utilities now down 8.8 percent from its peak in July 1981.

Offsetting the gain in autos was a 1.6-percent cutback in the production of business equipment. Output of construction supplies rose four-tenths of 1 percent in May following two months of large declines, but remained 15.4 percent lower than a year earlier.

Despite the relative strength in May auto production, the industry reported that mid-June sales of new American-made cars were the worst for the period in almost a quarter-century, down 22.4 percent from their 1981 levels.

Labor Dept. Hit On Move to Cut Prevailing Wage

(Continued from Page 1)

of the SCA have been furthered. This is contrary to the letter and spirit of this law," the report declares.

It also points out that the proposals would "dramatically alter the scope of the law by eliminating the current interpretation that all service employees are covered except where they are "incidental" to the contract. With the proposed changes, a contract would be covered only if the work is performed "principally through the use of service workers."

And the change in the definition of locality, the report warns, "would simply channel service contracts into low-wage areas, create turnover and labor-management instability, and depress service contract wages."

6/26/82

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AFL-CIO News

LEGISLATIVE ALERT! PAGE 8

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GE Accord Protects Wages, Jobs

WASHINGTON TRUTH MARCH drew more than 4,000 demonstrators to Capitol Hill to protest anti-union actions and statements by the Reagan-appointed Public Printer, Danford L. Sawyer, against Government Printing Office workers and their unions. The march was organized by the council of 13 local unions at GPO and co-sponsored by the Metropolitan Washington AFL-CIO and the federation's Public Employee Dept. **(Story, Page 4.)**

65,000 Win Major Gains In IUE Pact

By James M. Shevis

Members of the Electrical, Radio & Machine Workers will vote July 6 on a new nationwide contract with General Electric Co. that provides substantial economic gains and dramatic job-security protections.

The three-year agreement covers some 65,000 IUE members, and replaces a contract that expired June 28. Leaders of the unaffiliated United Electrical Workers also approved the pact, and representatives of 11 other unions gave their backing to the IUE agreement at a meeting of their Coordinated Bargaining Committee.

IUE PRESIDENT David J. Fitzmaurice and Chairman John Shambo of the union's GE Conference Board said the new contract contains "many historic gains."

"Despite GE's efforts to join the takeaway parade, it is an entirely forward-looking settlement," they said in supporting ratification of the settlement.

Fitzmaurice and Shambo said the unity of the 13 unions of the CBC also contributed significantly to the negotiation of "an outstanding agreement."

The settlement would give the average GE worker earning about $9 an hour an immediate 7-percent pay increase and raises of 3 percent each on June 27, 1983, and June 25, 1984.

A COST-of-living adjustment due in December will be calculated according to the formula in the old contract that provides a one-cent hourly increase for every rise of two-tenths of 1 percent in the consumer price index. In 1983 and 1984, however, adjustments will be figured at the rate of one cent for each rise of .175 percent in the CPI. Payments will be made semiannually as under the old agreement.

In addition, GE agreed to a special pay structure adjustment for workers making more than $8.35 an hour to maintain the relationship between job classifications. The adjustment will result in immediate

(Continued on Page 3)

Kirkland Vows Continued Fight For ERA Goals

By Susan Dunlop

"The Equal Rights Amendment to the U.S. Constitution and the principles embodied in it are issues that will not die," AFL-CIO President Lane Kirkland declared as the campaign for ratification of the ERA remained three states short on the June 30 deadline.

The debate on ERA will continue and the measure will be reintroduced in Congress, Kirkland said. But with or without ERA, he stressed, "a positive, ongoing women's rights agenda exists for the future."

THE AFL-CIO, he said, stands "side by side with the Coalition of Labor Union Women, women's organizations, civil rights groups and other segments of the society with common concerns working to change laws, policies, institutions and attitudes to bring about equity and justice for all."

The amendment, which would have established a constitutional prohibition against all forms of discrimination based on sex, was ratified by 35 states between 1972 and 1979. Congress extended the original seven-year deadline of Mar. 22, 1979, to June 30, 1982. But a final strong

(Continued on Page 4)

Congress Toes the Line

Reagan Vetoes Scuttle Anti-Recession Program

By David L. Perlman

President Reagan used vetoes and veto threats to make an increasingly restive Congress toe the Administration line and abandon independent efforts to lick the recession.

His first veto killed an "urgent" appropriations bill that included $3 billion for mortgage subsidies to bring down housing costs and generate up to half-a-million construction-linked jobs.

REAGAN SAID it wouldn't be fair to single out the depressed housing industry for "special relief."

After all, he said in his veto message, "the recession and high interest rates have created hardship and unemployment for farmers, small businesses, the thrift industry, automobile manufacturers and dealers and many others."

The AFL-CIO termed the veto "a tragedy" and protested that Reagan, "like Herbert Hoover 50 years ago, wants to wait until the economy, somehow, cures itself." But the House fell short by 17 votes of the two-thirds majority needed to override the President.

CONGRESS then sent Reagan an alternative bill, without the $3 billion mortgage subsidy. But that, too, was promptly vetoed.

It included, as had the first bill, Administration-opposed funds to enlarge the summer youth employment program, to increase the supply of rental housing for low-income families, to roll back part of the devastating postage rates increases that hit publications of non-profit organizations earlier this year and some other funds that weren't on the White House request list.

The House had begun its scheduled two-week recess by then, but it had taken the precaution of passing a bare-bones resolution that would provide minimal funding authority until July 20. That would allow government agencies to function normally and let Congress make a fresh try at getting a bill enacted.

That version passed the House by 342-25, with even the most stalwart Reagan supporters voting for it on the assumption that the President would sign it.

BUT WHEN IT got to the Senate, the word from Office of Management & Budget Director David Stockman was that even this version was unacceptable because it departed in several places from the White House script and only ran until July 20.

Faced with a third veto, Senate Appropriations Committee Chairman Mark O. Hatfield (R-Ore.) "negotiated" with Stockman on the provisions of a bill acceptable to the Administration. Stockman then gave Hatfield a letter saying that if the new version were to be approved by Congress "without additional amendments or unrequested funding, I would recommend to the President that he sign it."

(Continued on Page 4)

A Message to Our Readers

New Role for the News

By Murray Seeger
AFL-CIO Director of Information

With this edition of the AFL-CIO News, the federation is embarking on a new publications program. The first of many planned changes and improvements will be seen in this week's newspaper.

The goal of the new program is to make the News a more complete, more relevant newspaper for its prime audience, the key leaders—officers and staff—of the 101 affiliates of the AFL-CIO.

In this edition, for instance, the back page is devoted to the Legislative Alert, which was formerly mailed to a special list of interested readers. Now, all readers of the News will get the Alert on a regular basis.

Next week, the back page will be devoted to the Memo from COPE, another publication which had been previously mailed separately. Now, all readers of the newspaper will also see the COPE Memo on an alternating basis with the Alert.

Within a few weeks, the readers of the News will find inserted into the cen-

(Continued on Page 4)

Correspondence about address corrections should be sent with attached mailing label to: Subscriptions, Room 209, 815 16th Street, N.W., Washington, D.C. 20006.

7/3/82

Supreme Court Rebuffs R-T-W Move

The Supreme Court rebuffed the National Right to Work Committee by refusing to review an appellate court decision that a state law prohibiting union shop agreements does not apply to federal "enclaves" located within the state.

Labor's position was also upheld in a 6-3 Supreme Court decision holding that the Norris-LaGuardia Act barred a court injunction that would have compelled the Longshoremen to suspend a boycott launched after the Soviet Union's invasion of Afghanistan.

THE FEDERAL enclave case stemmed from a suit brought by the National Right to Work Legal Defense Foundation on behalf of eight employees of RCA International Service Corp. who were working at Air Force and aerospace installations in Florida.

Their claim, which was rejected last year by the 5th U.S. Circuit Court of Appeals, was that Florida's "right-to-work" law nullified RCA's union shop agreement with a local of the International Brotherhood of Electrical Workers.

A district court had held that the union shop could be enforced at an Air Force base that had been ceded to the federal government before the date of Florida's "right-to-work" law, but not at an aerospace installation that had become federal property at a later date.

The appellate court held, however, that union security agreements were valid at both locations.

That decision, which now becomes final, is in accord with the position taken by a different appellate court in a similar case.

ON THE ILA boycott of cargo to and from the Soviet Union, the Supreme Court decision was in accord with its own precedents and with the AFL-CIO's interpretation of the 50-year-old Norris-LaGuardia Act.

In this case, the operator of a Jacksonville, Fla., shipping terminal had contended that the refusal of union members to load a shipment of agricultural chemicals bound for the Soviet Union in early 1980 violated the no-strike pledge in the ILA's contract.

The employer sought and obtained from a federal district judge both an order that the issue of violation of the no-strike agreement must be submitted to arbitration and a preliminary injunction to compel the ILA local involved to resume work on Soviet cargo pending completion of the arbitration process.

BUT THE 5th Circuit appellate court, in a decision that the Supreme Court affirmed, agreed only that the issue of violation of the no-strike agreement be arbitrated. It concluded that the injunction was barred by the Norris-LaGuardia Act.

Two Supreme Court precedents were involved.

Under one, the Supreme Court had held that a court may enjoin a strike over a grievance that is subject to arbitration under the terms of the contract.

The other, which was found applicable in this case, held that an injunction could not be granted if the cause of the work stoppage is not subject to arbitration and only the question of violation of a no-strike provision is arbitrable.

IN THIS case, the ILA boycott was political and aimed at the Soviet Union for its invasion of Afghanistan, not at the employer. Thus, the "underlying issue" could not be resolved through arbitration. But since the dispute over the no-strike clause is a labor dispute, it is subject to the Norris-LaGuardia Act restrictions on federal court injunctions.

The Supreme Court noted, as had the AFL-CIO in its brief, that the legislative history of both the 1932 Norris-LaGuardia Act and the 1947 Taft-Hartley Act bear out this distinction.

In both 1932 and 1947, the court noted, the issue of politically motivated strikes was discussed, and Congress refused to make them subject to injunctions.

JUSTICE Thurgood Marshall wrote the majority opinion, joined by Justices William J. Brennan, Byron R. White, Harry A. Blackmun and William H. Rehnquist, with Justice Sandra Day O'Connor filing a concurring opinion.

The decision does not affect the Supreme Court's unanimous ruling earlier this year that the ILA's refusal to handle cargo to and from the Soviet Union violated the secondary boycott prohibition of the Taft-Hartley Act and left the union subject to damage suits from firms claiming financial losses as a result of the union's boycott.

Chief Justice Warren E. Burger argued in a dissenting opinion that "there is no rational way" to reconcile the two decisions, but the court majority clearly disagreed with him.

IN ANOTHER action, the Supreme Court ruled that Philadelphia area contractors that used the hiring hall referral program of a local of the Operating Engineers did not have to share the cost of a court-ordered affirmative action apprenticeship and training program for minority workers.

A federal judge had ordered the employers to pay 10 percent of the cost. But a 7-2 majority of the Supreme Court said the union should pay the full amount since there was no evidence the employers intended to discriminate. It held that the 1866 civil rights law on which the discrimination suit was based required evidence of intent.

Justices Marshall and Brennan dissented vigorously, objecting to limiting remedies for discrimination to cases where "intent" can be proved.

Profits Not Prerequisite for Executive Perks

The system by which the corporate world pays its top executives their huge salaries is more often than not pockmarked with contradictions and irrationality, Fortune magazine reports in its latest issue.

"The madness of that system can be seen in an analysis of pay vs. performance," the magazine observes. "In the compensation of chief executives, any similarity between rewards received and performance demonstrated often seems almost coincidental."

A CASE IN point is the contradiction between the 1981 compensation given ITT Chairman Rand V. Araskog and Raytheon Chairman Thomas L. Phillips. While Phillips's $635,000 "is a long way from food stamps," Fortune notes, "in the firmament of conglomerates where both companies reside, that pay puts Phillips in the underclass.

"Yet Raytheon's performance in recent years has been superb," Fortune noted.

In contrast, ITT's performance has been dismal, yet Araskog made $1,150,000 in 1981, or $133,000 more than he got in 1980. The total includes $173,000 that ITT pays in carrying costs on a cooperative apartment that Araskog bought so he could live close to the company's Manhattan headquarters, Fortune notes. Araskog is also paid $1,000 for every board meeting that he attends.

For the article on executive compensation, Fortune studied 140 large companies, comparing last year's return on stockholders' equity for each firm with the compensation paid its chief executive.

LONG-TERM forms of compensation—stock options and multi-year incentive plans—were excluded because the future payoffs on current plans are uncertain, and payoffs already realized cannot logically be tied to a single year, the magazine said.

Among the 20 largest multi-industry companies, the firm paying its chief executive the most in 1981 was W. R. Grace. J. Peter Grace, 69, grandson of the founder, got at least $1,549,000—but that does not include a bonus for 1981, the size of which had not been determined when Fortune made its study.

GOING BY his past salary and bonus record, the magazine estimated that Grace would get a bonus of $265,000 for last year, which would put his total compensation at $1,814,000. The striking thing about this total, Fortune notes, is that it includes still another bonus—a $1 million award from the directors "in recognition of his accomplishments during his 36-year tenure as the company's chief executive."

If "accomplishments" meant benefitting Grace shareholders, Grace's performance was below average, Fortune points out. From the end of 1945, the year Peter Grace took the helm, through 1981, Grace stock rose at an annual rate, compounded, of only 2.7 percent.

Statistics also show that Grace stockholders earned an average annual dividend yield over the period of 4.7 percent, which combined with the appreciation gave them an anual return of 7.4 percent.

"That is distinctly low grade," the magazine says. "One can only imagine how much more the directors might have awarded Peter Grace had he succeeded in making W. R. Grace just average."

The Fortune study found that, rather than performance, the factor that seems most to determine executive compensation is the size of the firm. "The phenomenon of increased pay for increased size is easiest to see when two companies merge," the magazine says.

WHEN DART Industries merged three years ago with Kraft, Dart's chief executive, Justin Dart, made about $500,000, while Kraft's boss John Richman, received $460,000. In 1980, Richman as chief executive officer of the merged firm made almost $700,000 and last year he was up to $750,000.

Over the past decade, the trend has been toward ever higher compensation for executives. A mere decade ago, Fortune notes, the chief executives of some major corporations were getting under $100,000.

The accompanying chart shows the astronomical percentage increases since then, and comparisons with other salary earners in non-business fields.

WHAT'S HAPPENED TO EXECUTIVE COMPENSATION . . .

1971			1981		
INDUSTRY	LARGEST COMPANY	CHIEF EXECUTIVE'S COMPENSATION	LARGEST COMPANY	CHIEF EXECUTIVE'S COMPENSATION	INCREASE (DECREASE)
AEROSPACE	BOEING	$80,000	BOEING	$957,551	1,096.9%
FOOD	SWIFT	$68,053	DART & KRAFT	$748,647	1,000.1%
PHARMACEUTICALS	AMERICAN HOME PRODUCTS	$240,000	JOHNSON & JOHNSON	$968,542	303.6%
PUBLISHING	TIME INC.	$203,025	TIME INC.	$633,367	212.0%
METAL MANUFACTURING	U.S. STEEL	$300,000	U.S. STEEL	$821,322	173.8%
RETAILING	SEARS ROEBUCK	$386,800	SEARS ROEBUCK	$1,010,137	161.2%
UTILITY	AT&T	$360,500	AT&T	$894,400	148.1%
OFFICE EQUIPMENT	IBM	$394,331	IBM	$940,000	138.4%
COMMERCIAL BANKING	BANKAMERICA	$171,543	BANKAMERICA	$390,325	127.5%
PETROLEUM REFINING	STANDARD OIL (N.J.)	$505,100	EXXON	$1,105,412	118.9%
BROKERAGE	MERRILL LYNCH	$296,501	MERRILL LYNCH	$642,524	116.7%
ADVERTISING	J. WALTER THOMPSON	$191,587	JWT GROUP	$372,881	94.6%
MUTUAL LIFE INSURANCE	PRUDENTIAL	$300,000	PRUDENTIAL	$582,744	94.2%
CONGLOMERATES	GENERAL ELECTRIC	$500,000	GENERAL ELECTRIC	$853,976	70.8%
AUTOMOTIVE	GENERAL MOTORS	$838,750	GENERAL MOTORS	$489,250	(41.7%)

. . . AS COMPARED WITH

	COMPENSATION		COMPENSATION	INCREASE
MAJOR-LEAGUE BASEBALL PLAYER (average)	$31,543		$196,500	523.0%
STARTING LAWYER IN A WALL STREET LAW FIRM	$15,500		$43,300	179.4%
HARVARD MBA GRADUATE ENTERING CONSULTING (median)	$18.000 (1972 data)		$46,100	156.1%
AUTO WORKER (average hourly wage)	$4.72		$11.01	133.3%
AIRLINE PILOT (average for union members)	$28,390		$60,280 (1980)	112.3%
PRESIDENT OF AFL-CIO	$70.000		$110,000	57.1%
U.S. SENATOR	$42.500		$60.663	42.7%
PRESIDENT OF THE U.S.	$200.000		$200,000	0.0%
CONSUMER PRICE INDEX (1967 = 100)	121.3		272.4	124.6%
MINIMUM WAGE	$1.60		$3.35	109.4%
STANDARD & POOR'S 500 STOCK INDEX (year-end)	102.09		122.55	20.0%

Source: Fortune Magazine, July 12, 1982.

New Album Preserves Solidarity Day Sounds

The sounds of Solidarity Day are brought together in a mixture of music, speeches and song in a newly released commemorative album.

The 45-minute record, "Solidarity Day," captures the flavor of the Sept. 19, 1981, demonstration in the nation's capital that drew nearly a half-million trade unionists and their allies to protest the harsh economic policies of the Reagan Administration.

The album can be ordered from Worker Records, 1233 Kearney St. N.E., Washington, D.C. 20017. The cost is $8.50 per record, plus $1.50 for handling and postage.

Producer Joe Uehlein, an organizer for the AFL-CIO Industrial Union Dept., said proceeds from the sales will be donated to COPE.

65,000 Win Major Gains In GE Accord

(Continued from Page 1)

increases of from two cents to 32 cents. The "decompression" increases, as they are called, will apply to day workers, salary and incentive workers alike.

Job security, along with cost-of-living increases, had emerged as the two main issues of the negotiations with GE, the nation's largest electrical equipment manufacturer, since talks got under way on May 4. The major breakthrough for IUE occurred in new contract provisions for job and income security in the face of plant closures and growing automation, including robots.

THE AGREEMENT gives broad protection to a production worker whose job is eliminated due to a transfer of work to another plant, introduction of a robot, or automated manufacturing machinery. In such an event, a worker forced to take a lower-paying job will be entitled to retain the old pay rate for up to 26 weeks.

Among other job-security provisions:

- GE agreed to give six-months' notice in cases where it plans to close plants or transfer work to another site and a minimum of 60 days' notice when it intends to install robots or automated equipment.
- Employees with 15 years or more service will get two weeks of severance pay for each year, plus half a week's pay for each additional three months' service.
- Workers who lose their jobs because of a plant closing will receive assistance in finding new work and learning new skills. The contract provides that workers with more than two years of service may get up to $1,800 in retraining funds.

OTHER CONTRACT improvements include a fifth week's vacation after 20 years of service instead of 25 and added pension and insurance benefits.

Monthly pension benefits will increase from the current range of $10 to $15 times years of service to a range of $14 to $19.50, effective in 1984. Medical and dental benefits also were improved, and catastrophe medical insurance was raised from a maximum $350,000 to $500,000.

Present and future retirees will receive increased medical coverage, and GE will increase its supplmental payment to those who retire between the ages of 60 and 62.

THE UNION and other members of the Coordinated Bargaining Committee now shift their attentions to negotiations with Westinghouse in Pittsburgh. Contracts with that firm are scheduled to expire July 11. Besides IUE and UE, the CBC includes representatives of the Flint Glass Workers, Plumbers & Pipefitters, International Brotherhood of Electrical Workers, Steelworkers, Machinists, Allied Industrial Workers, Sheet Metal Workers, Firemen & Oilers, Auto Workers, Carpenters, and the unaffiliated Teamsters.

FREEDOM OF ASSOCIATION is the cornerstone of free trade unionism, the U.S. worker delegation stressed at the International Labor Organization's annual meeting in Geneva. From left, front row, are William C. Doherty, Jr., executive drector of the American Institute for Free Labor Development; Jean Ingrao, executive secretary-treasurer of the Maritime Trades Dept.; AFL-CIO International Affairs Director Irving Brown, and AFL-CIO President Lane Kirkland. Second row, Dale Good, assistant to Kirkland; Morris Paladino, executive director of the Asian-American Free Labor Institute, and Charles D. Gray of AAFLI. Brown is the U.S. worker delegate to the ILO.

Free World Delegations to ILO Thwart Arab-Soviet Maneuvering

Geneva—A searching discussion of how best to promote freedom of association in the world blocked a communist-backed move by Arab governments that could have wrecked the International Labor Organization's annual assembly on political reefs.

The resolution on freedom of association, sponsored by U.S. Worker Delegate Irving Brown and other free worker delegates, was given priority within committee over an Arab proposal for an ILO "Day of Solidarity" with the Palestinians.

THE PROLONGED discussion of the resolution left the committee with no time to complete action on it. As a result, the committee did not get to the Arab proposal and had nothing to report out.

This denied the Arabs and communists the opportunity to reopen old political wounds at the three-week session of more than 1,800 trade union, employer and government representatives of the ILO member nations.

Meanwhile, the conference received a report from its committee on the application of standards placing Poland's military government on a blacklist of "special cases" for denying workers the right to have free trade unions.

IN ITS report, the committee also noted the findings of ILO experts that despite Moscow's denials Soviet workers do not enjoy freedom of association because of the subordination of their "trade unions" to the Communist Party.

The Soviet Union was also rapped by the committee for failing to clear up the suspicion that workers on collective farms are subjected to a form of forced labor in contravention of ILO standards.

Although the conference approved the report by a 230 to 3 vote, the total vote cast was just eight short of the quorum of 241 needed for adoption. The 173 abstentions recorded by a coalition of Soviet bloc, Arab and some Third World countries did not count toward the quorum under the ILO rules.

NEVERTHELESS, Michel Walin, Belgian government delegate, called the vote for what it was when he rose to say "for me, this report, adopted by 230 votes to 3, is a victory."

"I am sorry," he said in urging a revision of the voting rules, "that strategic tricks can deform the sense of a vote."

Expressing the views of free trade unionists, French worker delegate Marc Blondel denounced governments that try to welsh on their ILO commitments by claiming that ILO monitoring of the observance of standards intervenes in their internal affairs.

Delegates who fail to uphold the procedures for assuring observance of ILO standards to protect human and trade union freedoms are "destroying one of the foundations of the ILO," Blondel declared.

CONCURRING with these views, Brown later commented that the impact of the hard-hitting committee report on application of standards was undiminished by the aborted vote in plenary session.

"The technicality that prevented the report's formal adoption by the conference does not erase from the record that the violations of ILO standards were examined in depth," the leader of the AFL-CIO worker delegation said.

"Neither did it erase the accounting that governments of all colors were obliged to give of their violations, nor did it alter the fact that the committee representing all the ILO workers, employers and governments approved its report unanimously," Brown stressed.

NEVERTHELESS, he said, the major success for ILO supporters was achieved in the conference's resolutions committee.

"The Arab resolution was part of a politically motivated campaign that is out of place in the ILO," said Brown, who is director of the Dept. of International Affairs.

"The sidetracking of the resolution headed off a political demonstration that would have had a serious adverse effect on the ILO as a specialized UN agency with the mission of improving the lot of workers everywhere," he added.

On the positive side of the conference ledger was the adoption of a convention over employer objections for assuring workers better protection against unfair dismissals.

The convention, binding on governments that ratify it, places on employers the burden of proving that layoffs are justified.

COSTA RICAN PRESIDENT Alberto Monge, in Washington for a meeting of the Organization of American States, stopped off at AFL-CIO headquarters for talks with American labor leaders on matters of mutual interest in the Caribbean region. Monge, at right, conferred with, from the left, Vice President Martin J. Ward, chairman of the AFL-CIO's international affairs committee; William C. Doherty, Jr., executive director of the American Institute for Free Labor Development, and Sec.-Treas. Thomas R. Donahue.

Kirkland Message to NAACP Stresses Unity on Elections

Boston—Labor and the civil rights movement must pool their voting strength to "reverse the disastrous policies of the Reagan Administration," AFL-CIO President Lane Kirkland urged.

In a message to the NAACP's 73rd convention here, Kirkland stressed the "devastating and intolerable" unemployment inflicted by Reaganomics.

"WE MUST have a program that makes the creation of a full employment economy a top priority," he insisted.

Union and civil rights contingents marched side by side in last September's massive Solidarity Day demonstration, and Kirkland stressed that "the alliance must continue and flourish." The Nov. 2 election is Solidarity Day II, Kirkland reminded the NAACP. "We urge you to join with us and other concerned citizens and march to the polls."

Earlier, NAACP Executive Director Benjamin L. Hooks and Urban League President John E. Jacob had written their local branches and chapters calling for close cooperation with AFL-CIO central bodies on issues of common concern.

"WE HAVE joined in coalition to fight the budget cuts and the dismantling of social and economic programs designed to help the disadvantaged in our society," Kirkland wrote in his message to the NAACP convention.

"We have been appalled at the Administration's appointments of hostile and unqualified people to serve in leadership positions in government agencies. We have raised our voices together to protest the general erosion of civil rights enforcement. We stand solid in our commitment to affirmative action programs," Kirkland said.

The theme of unity and alliance was stressed also by Communications Workers President Glenn E. Watts, who addressed NAACP delegates at the convention's traditional labor luncheon.

WATTS SAID two years of the Reagan Administration have pushed the economy to the "brink of disaster" and plunged black Americans especially into a depression comparable to the 1930s.

"It becomes our duty to change the direction of government policy," Watts declared, and to hold those in Congress "accountable" for their actions.

The keynote speech by Hooks, the NAACP executive director, included the comment that "the NAACP was in business before Mr. Reagan came to office, and we will be here when he leaves. We will help him all we can to leave office as quickly as possible."

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Labor Vows To Continue ERA Drive

(Continued from Page 1)

push for ratification which concentrated on Oklahoma, North Carolina, Illinois and Florida was unsuccessful.

The ratification drives in the four key states were strongly supported by the AFL-CIO, state and local central bodies and many unions.

KIRKLAND emphasized that "throughout the nation, working people are rededicating themselves to the essential work that must be done at the state and local levels" to put to work the principles of the Equal Rights Amendment.

The labor movement reaffirms its commitment, he said, "to strive for the elimination of all discrimination against women, especially women in the work force," and will "push forward" in such areas as organizing, child care, affirmative action, pay equity, eliminating sexual harassment, and "encouraging the full involvement of women in all aspects of trade union life as part of our strategy to tear down the barriers to social and economic equality for women in America."

Congressional supporters of ERA have said they plan to reintroduce the amendment as early as July 14 after Congress returns from its July 4 recess.

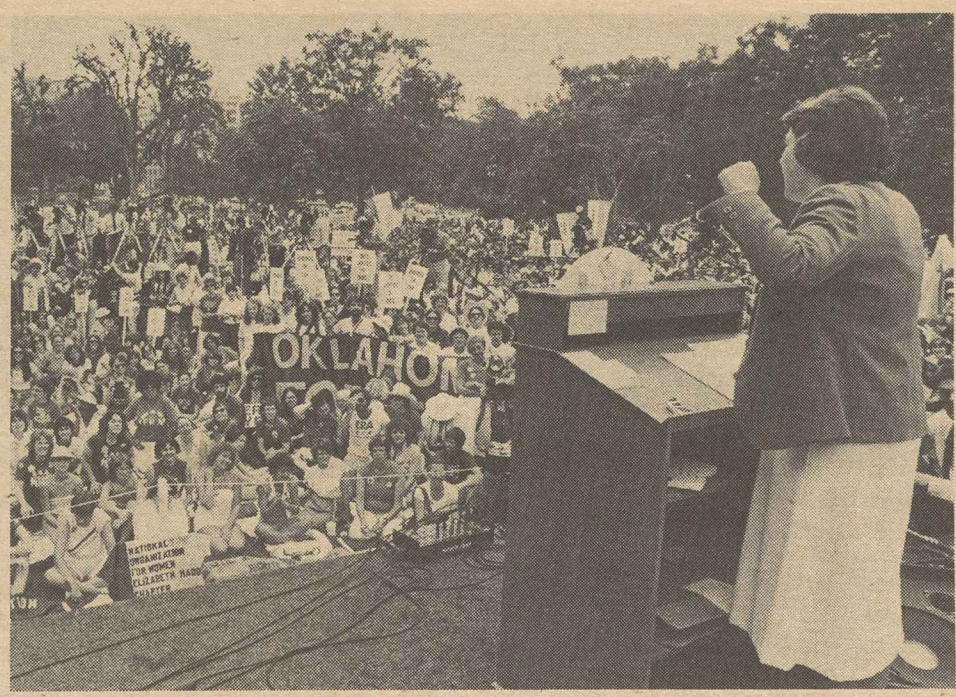
CLUW PRESIDENT Joyce Miller, an AFL-CIO vice president, said in a statement that those who fight for women's rights "have lost a battle but we have certainly not lost the war."

"If anything," Miller asserted, "women working together have been strengthened. We face the future with even greater resolve to continue to work together to achieve full economic and political equality for all women."

President Eleanor Smeal of the National Organization for Women told several thousand demonstrators at a rally in Washington's Lafayette Park that women who want ERA "are not tired; we're not even winded."

SMEAL LAID the blame for ERA's defeat on the Republican Party, which she accused of not only deserting women's rights, but leading the attack against them. She scored President Reagan for opposition to ERA and "insensitivity" to the needs of women in the current recession through budget cuts that are especially harmful to women.

She stressed that the Democrats should not take women for granted, however, and pledged that NOW's emphasis will be on political action and on asserting that women "are a majority and we are determined to play majority politics."



EQUAL RIGHTS AMENDMENT setback is only temporary and the fight for ERA will continue until it becomes part of the Constitution, National Organization for Women President Eleanor Smeal tells demonstrators at a rally in Washington, June 30. The date marked the end of the ratification period for the labor-supported measure passed by Congress in 1972. Rally speakers pledged the strong political action organization cemented by the ERA fight will be used to "vote out" all those who voted against ERA and elect candidates who support women's rights.

Capitol Hill Rally Protests Attack on Printing Unions

A march protesting the anti-union campaign of the head of the Government Printing Office drew more than 4,000 demonstrators to Capitol Hill on June 29.

The "Truth March" organized by the council of 13 local unions that bargain jointly at the GPO was planned to present facts countering the charge of Public Printer Danford L. Sawyer that the government's printing arm is "overpriced, overstaffed, overpaid and inefficient."

THE MARCH and rally were co-sponsored by the Metropolitan Washington AFL-CIO and the federation's Public Employee Dept.

Sawyer, a former Florida advertising executive appointed by President Reagan, claims the GPO is losing money largely because of "excessive wages."

William J. Boarman, president of Columbia Typographical Union 101, which represents the largest number of GPO workers, called Sawyer, "a union-buster who doesn't tell the truth about the volume of work produced by GPO printers or its cost."

GPO wages are comparable or even less than those in the private sector, Boarman asserted, emphasizing that the agency is not losing money according to its own financial reports.

The demonstrators also protested a move by Sawyer to defy Congress and unilaterally impose six days of "furloughs" without pay for all GPO union workers. The congressional Joint Committee on Printing, which oversees the GPO, ordered Sawyer to drop the furlough idea, but he has announced that the first furlough will take place July 6 and he contends Congress has no legal right to interfere.

The GPO unions have asked the U.S. District Court to issue an injunction forbidding the furloughs and to require Sawyer not to take other actions against workers without the congressional committee's approval.

Sawyer may not like the law, Boarman said, "but this is not a question of one man's likes and dislikes. It is a question of law. Danford Sawyer should obey it."

IN TESTIMONY before the House District Committee, Boarman said Sawyer's allegations that the GPO is losing money are based on figures that are "grossly distorted or plainly false."

The GPO, which prints such documents as the Congressional Record as well as numerous government books and pamphlets, does not operate on a set budget, but bills other agencies on a fee-for-service basis.

Boarman pointed out that while Sawyer claims the furlough system will save taxpayers some $600,000 for each of the six days, the GPO bills its "customers" for about $2.5 million a day. Thus, if the furloughs are allowed to take place, the GPO actually will record a net loss of some $1.9 million for each of the furlough days.

The demonstrators also protested Sawyer's bargaining tactics in the recent negotiations at the GPO which consisted only of a "final offer" of a 22-percent wage cut over three years. The unions rejected the offer, and the joint congressional committee must now by law act to bring about a settlement. The contract expired June 18.

GPO AND postal employees are the only federal workers allowed legally to bargain for wages.

Also at issue were Sawyer's plans to lay off some 2,000 of the 5,000 GPO workers in the Washington metropolitan area and to seek sharp restrictions in collective bargaining rights as well as stepped-up "contracting out" of work.

Participants in the march and rally included Kenneth Young, executive assistant to AFL-CIO President Lane Kirkland, Rep. Michael D. Barnes (D-Md.), D.C. Mayor Marion Barry, Government Employees President Kenneth T. Blaylock who is also PED president, and Metropolitan Washington AFL-CIO President Joslyn Williams.

Wall Street Plots Social Security Cuts

Twenty-seven Wall Street financiers are organizing a big business drive to slash social security benefits and increase consumer taxes.

Their goal: to push down the federal deficit without tampering significantly with the generous tax windfalls Congress gave to corporations and wealthy investors.

"THE AMERICAN people have a fight on their hands," AFL-CIO Social Security Director Bert Seidman warned. "Wall Street wants to defraud social security and Medicare recipients of their earned rights."

A Wall Street Journal news story reported that the financial leaders have joined in "an informal coalition to push for major changes in the federal budget."

The plan, reportedly based on proposals made by a group of former Cabinet members, is keyed to take effect in the 1985 fiscal year, but would be pushed to enactment early in the next Congress.

Its chief ingredients are:

- Cuts in social programs totaling about $60 billion—on top of the many cutbacks already made. The biggest share would come through reductions in social security entitlements.
- Additional defense cuts of about $25 billion.
- Tax increases of about $60 billion, which the Wall Street Journal story said would be "imposed chiefly on consumption, particularly energy use."

Peter G. Peterson, a former Secretary of Commerce and chairman of Lehman Brothers, Kuhn Loeb, Inc., is quoted on the timing of the campaign.

IT WILL be pushed early in the 98th Congress—the one that will be elected this November. The six months after the election, Peterson said, represent a "unique opportunity" to make changes in social security and other entitlement programs with a minimal risk of political backlash. The period for Congress to act is short, Peterson is quoted as saying, because it should be accomplished before the 1984 presidential campaign.

The Wall Street Journal said the financial executives plan to line up support from corporate officials.

The organizers of the campaign include heads of many of the nation's leading securities firms which, the newspaper noted, have "considerable reach into corporate offices as a result of investment banking ties with big companies."

Reagan's Vetoes Block Programs To Spur Housing

(Continued from Page 1)

The Senate dutifully tabled all amendments, despite grumbling about Congress becoming a rubber stamp for the President. But House Democratic leaders had not decided, as the AFL-CIO News went to press, whether to call the House back from recess in order to act on the Senate bill, whether to pass it by voice vote in a "pro forma" session attended by only a handful of members, or put off action until Congress returns on July 12, counting on Executive Branch ingenuity to find a way to avoid major disruptions of government services or payrolls.

The Senate also prepared to leave for a recess, after making the pending order of business the proposed constitutional amendment to compel a balanced federal budget unless three-fifths of the House and Senate vote to allow an exception. **(See Legislative Alert, Page 8.)**

More than the required two-thirds of the Senate has endorsed the amendment. That includes some who agree privately that it is both unworkable and undesirable but fear that taking a public stance would leave them politically vulnerable.

A Message to Our Readers

New Role for the News

(Continued from Page 1)

ter of their newspapers a magazine supplement. This will be the new edition of the Federationist, the venerable magazine which has filled a vital role in distributing labor's message for nearly 90 years.

These are the major changes planned in the publications program, but readers will find more. As the weeks pass, there will be more modifications in the physical appearance of the News. Some old features will disappear, and new ones will be introduced.

The enlarged News will be must reading for everyone interested in the labor movement. We expect to expand our reporting efforts to better communicate across the broad spectrum of the AFL-CIO ranks the events of greatest significance to working people and their leaders.

These new changes and improvements will be made slowly and carefully; the changes already made came only after serious consideration by many individuals.

On the business side of the question, all those who have paid for subscriptions to any of the four publications—the News, the Federationist, the Alert and the Memo—will receive the newspaper until their current subscriptions expire.

Affiliated unions will be allocated a fixed number of copies of the News under a new subscription plan and can subscribe for additional copies for their members at a new rate of $8.50 a year. Other individual subscriptions will be accepted at a cost of $10 a year.

In Convention Actions

State-County Delegates Map Political Battle Plan

Atlantic City, N.J.—The State, County & Municipal Employees pledged to fight the Reagan Administration's attacks upon public services and public employees as the union's 25th convention drew up its battle plan.

In a keynote address to more than 2,000 delegates, AFSCME President Gerald W. McEntee blasted the Administration for "turning over the White House to the corporate rich" and for "bleeding the cities, the states, the middle-income families, the poor, the handicapped, and the old."

AFSCME WILL work to "change the political climate of this country, not just at the national level, but in city halls and state legislatures," McEntee declared.

He also promised a stepped-up organizing drive: "We're going after California, and we're going after the Sunbelt, and we're even organizing those anti-union fortresses, Arizona, New Mexico, and Texas."

Delegates to the four-day convention also heard from other speakers, including AFL-CIO President Lane Kirkland and two of the leading Democratic presidential contenders, Sen. Edward M. Kennedy (D-Mass.) and former Vice President Walter Mondale.

The convention adopted a number of resolutions on major national and international issues, and featured a memorial tribute to Jerry Wurf, president of the union from 1964 until his death last December.

McENTEE SCORED the Administration's July 1 tax cut as "another giant tax giveaway to the rich," and promised that AFSCME would fight to elect a progressive slate of congressmen and defeat those legislators who have stood by Reagan.

Under the new tax cut, McEntee said, the 31.7 million people who make $15,000 a year or less will get to split $2.9 billion. A handful of people who make $200,000 a year or more—and there are only 162,000 of them—will take in $3.6 billion, he said.

"That's $91 for each of you and better than $22,000 for each of them, and that's the way this Administration wants it," he said.

McEntee lauded the contracts that AFSCME bargainers have negotiated in the past two years. These have averaged 8 percent a year in wage increases. He warned, however, that public sector workers are still far behind private sector workers in both pay and benefits.

AFSCME'S SUCCESS in organizing public employees was praised by Kirkland. "You have the leadership that you need to maintain and accelerate the progress that you have made over the last 20 years, and that is good news for the entire labor movement," he said.

Delegates approved resolutions endorsing future efforts to win ratification of the Equal Rights Amendment and pay equity for working women. Other resolutions called for major public investments in building and maintaining public facilities and in education and job-training programs.

The convention also pledged support for Solidarity Day II on Election Day when organized labor will seek to elect candidates favorable to working people, urged a freeze in developing nuclear weapons by both the United States and the Soviet Union, registered opposition to a balanced budget amendment to the Constitution, and pledged active support for boycotts of anti-union companies called by the AFL-CIO Executive Council.

IN A TRIBUTE to Wurf, Kirkland recalled the late AFSCME president's intense commitment to the goals of Solidarity Day last year.

"I remember the courage and the fierce determination with which Jerry rose from what proved to be his deathbed to add his voice and spirit to that massive protest against the cruelty of Reaganomics," Kirkland said.

"I remember that vast sea of AFSCME members who poured in from all across the nation to form the largest delegation of any organization that marched that day."

Addressing the delegates, Mildred Wurf said of her late husband: "He gave his life to the union, and the union gave him life. They were synonymous."

THE CONTINUING struggle for civil rights was emphasized by two speakers, President John Jacob of the National Urban League and Eleanor Holmes Norton, former director of the Equal Employment Opportunities Commission.

In the only election at the convention, delegates from the union's Caribbean region elected Blondie Jordan of Orlando, Fla., the daughter of Georgia sharecroppers, as their new international vice president. Jordan, a member of AFSCME Florida Council 79, replaces Thomas Fitzpatrick.

Transit Contract Dispute Relegated To State Courts

A transit union seeking to compel a municipal government to live up to a collective bargaining commitment required by federal law must pursue its claim in state courts, the Supreme Court held.

At issue was the recourse that a Jackson, Tenn., local of the Amalgamated Transit Union had when the city reneged on a contract negotiated with the union. The ATU brought a federal court suit challenging that the city had violated its obligation under Sec. 13(c) of the Urban Mass Transit Act when it froze wages and repudiated a cost-of-living clause. The law requires a local or state government to agree to maintain existing collective bargaining protections as a condition of receiving federal funds to acquire a private transit system.

THE 6TH CIRCUIT U.S. Court of Appeals upheld the union's right to sue the city in federal court, but its decision was reversed by a unanimous Supreme Court.

The court's opinion, written by Justice Harry A. Blackmun, held that the legislative history of the law shows "that Congress intended these contracts to be governed by state law applied in state courts."

The Supreme Court said the union could file suit in state court for breach of contract. And it noted that the federal government can respond to a violation of the collective bargaining obligation "by threatening to withhold additional financial assistance."

SOLIDARITY RALLY drew nearly 2,000 trade unionists to Jasper, Ind., in support of striking Furniture Workers who are in a long-running contract dispute with Indiana Desk Co. Thirty years of stable relations with the UFWA soured when the company hired a union-busting consultant and 120 strikebreakers. Indiana Desk products were placed on the AFL-CIO boycott list in May.

Mass Rally Builds Support For Indiana Desk Strikers

Jasper, Ind.—Nearly 2,000 trade unionists from surrounding communities and several states demonstrated in a strong expression of support for 170 striking Furniture Workers seeking a fair contract settlement with Indiana Desk Co.

Marching through the southern Indiana city to a "Solidarity Day" rally at the courthouse square, they voiced their outrage at the company's union-busting tactics which led members of UFWA Local 334 to strike three months ago.

RATHER THAN negotiate with the union in good faith, the UFWA said, the company retained an Indianapolis management consulting firm that has an established record of pursuing decertification elections—a move that has soured 30 years of stable bargaining relations.

Since the strike began on Mar. 29, Indiana Desk has hired 120 strikebreakers and a contingent of armed security guards that patrols the plant grounds with attack dogs.

Two months into the strike, the AFL-CIO Executive Council placed Indiana Desk on the federation's boycott list, urging "all union members to join the fight for justice."

LED BY UFWA President Carl Scarbrough and local union leaders, the demonstrators marched by the desk factory calling on its owner: "Amos Braun. Amos Braun. Get the goons out of town."

Scarbrough said the union is willing to sit down and negotiate "anywhere" and "anytime" in an effort to settle the dispute.

Only one negotiating session has been held since the strike began. But because management refused to drop its take-it-or-leave-it position, no progress was made, the UFWA reported.

A major issue in the dispute is the company's insistence on taking away the union's pension and insurance plans and the right to grieve on incentive rates.

Scarbrough called on city officials to understand fully the plight of strikers in the face of armed-camp conditions at the plant.

EARLY IN the walkout, a picket was run down by a car driven by a strikebreaker, the union reported. Pickets have been pushed, jostled and threatened by the armed guards. And recently, the UFWA said, metal bolts have been flung out the windows of the factory at the pickets.

Scarbrough warned that the UFWA would not continue to take that kind of abuse.

Rally participants also heard addresses by religious leaders, elected officials and trade union representatives, including the Rev. Clark Field of Evansville, Ind., State AFL-CIO President Ernest C. Jones, AFL-CIO Regional Director James Freeman, State Sen. Mike Kendall (D) and Floy County Prosecutor Stephen Beardsly.

Perkins Stresses Political Independence

Philadelphia — The AFL-CIO remains politically independent and will support candidates who share the concerns of America's workers "regardless of their party affiliation," COPE Director John Perkins said.

Perkins was asked about labor's political ties in a National Public Radio interview during the Democratic Party's national conference here—the so-called mini-convention.

WHILE LABOR is not becoming a "branch of the Democratic Party," it has difficulty finding Republican candidates who share its views, Perkins said. He noted that in recent years such prominent Republican friends of labor as Senators Jacob Javits of New York and Clifford Case of New Jersey were denied renomination in GOP primaries.

Perkins agreed that it is much more likely that the labor movement will support the Democratic presidential candidate in 1984 than a Republican candidate committed to the Reagan Administration's economic policies. But the AFL-CIO still hopes the Administration will change its direction. If not, he suggested, "this country is in for some very tough times."

A number of questions dealt with the AFL-CIO's intention to seek an early consensus among its unions on a labor-supported candidate for the presidency—in time to play a role in the primary elections and the nominating process.

PERKINS SAID he didn't see an early endorsement as representing any more of a gamble than the past practice of waiting until party selections have been made before considering an endorsement. Delaying an endorsement risks ending up, as has happened, "with a candidate that we can't enthusiastically support," he said.

Several proven friends of labor are seeking the Democratic presidential nomination, Perkins agreed, "but you have to make those hard choices."

With all the AFL-CIO's affiliates represented on the federation's General Board, "there will be plenty of input in terms of their preferences, of who is electable, who supports us on the issues." Labor's leaders have a "responsibility to lead," he noted.

The AFL-CIO's Committee on Political Education addresses its efforts to union members and their families, Perkins stressed.

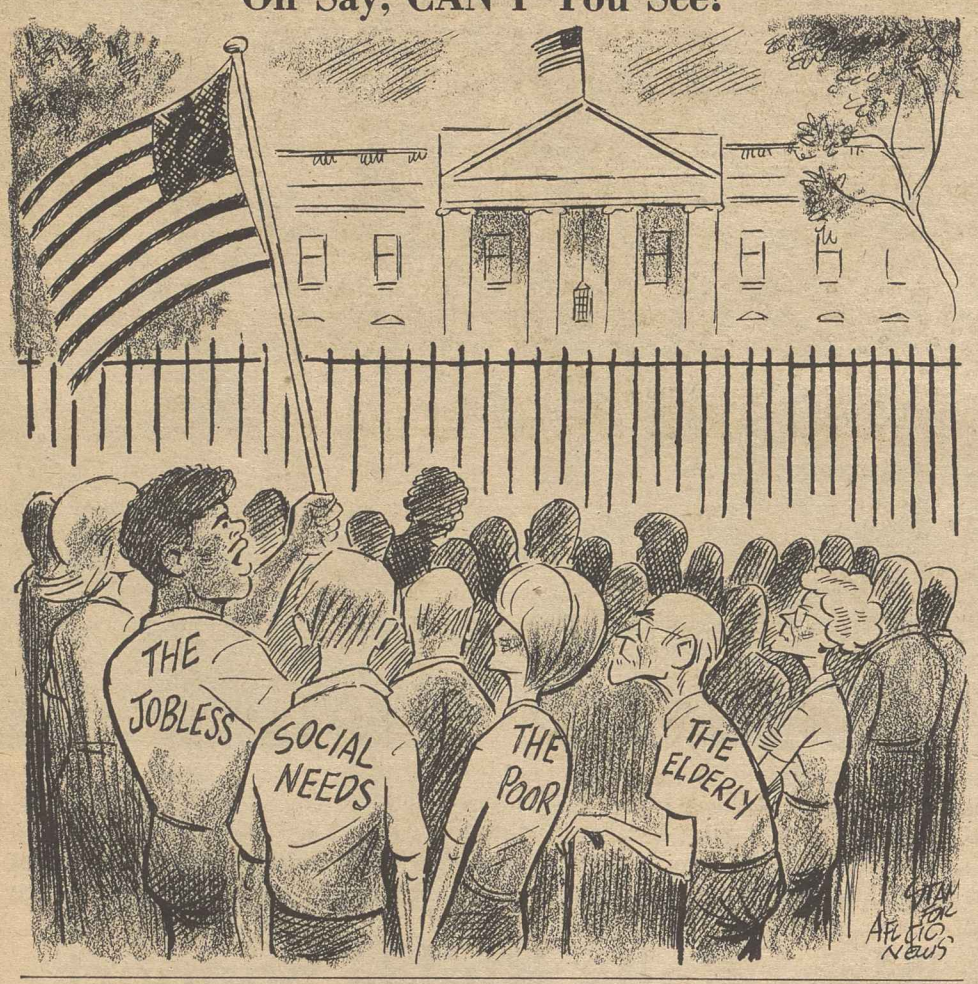
"WE FOCUS on getting our members registered, getting them educated in terms of the candidates' positions and voting records, and then trying to assist them in getting to the polls on Election Day." This is independent of any party, he said.

Perkins noted that the AFL-CIO, through its new Institute of Public Affairs, will be using polling techniques to find out what matters most concern union members, "and we hope to address those concerns."

While retaining the labor movement's independence, union leaders and officials are actively participating in Democratic Party affairs, and union officials who are Republicans are taking part in the newly-created Republican Labor Advisory Committee.

"We are a bipartisan organization," Perkins stressed.

'Oh Say, CAN'T You See?'



Public Employee Study Finds Tax Cut Only Benefits Rich

Philadelphia — Reagan Administration policies have more than wiped out the savings most people will receive from the 10 percent federal income tax cut that took effect July 1, according to a study by the AFL-CIO Public Employee Dept.

The analysis, made public by PED President Kenneth T. Blaylock at a news conference during the Democratic Party's national conference, concludes that only the "very rich" will come out ahead.

BLAYLOCK, joined by House Speaker Thomas P. O'Neill, Jr., termed the tax cut a "hoax on working Americans."

He said the Public Employee Dept. study shows that states and localities have been forced to raise taxes and fees to make up for loss of revenue resulting from Reagan Administration policies.

Since the largest tax cuts went to those with the highest incomes, the July 1 reduction amounts merely to "a shift in taxation from the wealthy to working Americans," Blaylock said.

THE PED report stresses the role of the Administration's "new federalism" in piling new burdens on states and cities.

It links Administration policies to:

- Disproportionately large cuts in grants-in-aid to state and local governments.
- A recession that has caused sharp reductions in tax collections and sharp increases in claims on government services.
- Creation of new federal tax-exempt investment opportunities that have effectively crowded out the market for state and local bonds.
- Reduced state revenues from state and local conformity to federal tax changes giving businesses accelerated depreciation writeoffs.

THE REPORT cites the reduction in services and facilities stemming from Administration policies, including cuts in job training, education, road maintenance and other functions.

"The impact of the Reagan budget on state and local governments is just as detrimental to the goal of economic growth as it is to the goal of tax fairness," the PED analysis concludes.

Convention Action

Radiation Hazard Study Sought by News Guild

Los Angeles—Questions about possible radiation hazards from video display terminals (VDTs) "are mounting up faster than answers," the Newspaper Guild's 49th annual convention declared as it called for "immediate" government research into the biological effects of two forms of radiation endemic to the machines.

Revelations at an international forum in Ottawa early in June that "extremely low frequency" radiation from VDTs may pose a hazard to pregnant women and others operating the machine "make it imperative" that agencies "move quickly" to try to determine the "degree and extent of the hazard," the convention declared.

THE MORE THAN 200 delegates also called for research into the effects of "radio-frequency" radiation in the low frequency range "characteristic of VDTs," the delegates added, noting that an Air Force study indicated it "may have effects on the immune system, at least in heavy doses."

With millions of employees operating VDTs in the newspaper and other industries, "delay" in launching the research would be "inexcusable," the convention declared.

At the same time, however, the convention made it clear it had no illusions that initiation of any new safety research will be easily come by under the Reagan Administration.

That Administration has been "weakening health and safety protections" while "reversing the whole of the federal government's approach to workers and their unions" and encouraging tighter restrictions on access to government information by the press and the public in general, the convention pointed out.

IT CALLED on the Guild's U.S. locals and members to join wholeheartedly in labor's mobilization to make November's congressional elections the "equivalent of last fall's Solidarity Day" in order at least to show the increased suffering resulting from the Administration's social and economic policies.

The convention also urged greater efforts to win contract clauses providing voluntary checkoff of political contributions and reminded locals that under federal law corporations that provide checkoff for supervisors and stockholders also must make it available to unions.

A convention resolution echoed a call by Guild President Charles A. Perlik, Jr., for increased use of collective-bargaining to provide reporter members a meaningful voice in shaping the day-to-day journalistic practices, procedures, ethics and values currently being subjected to sharp criticism from both inside and outside the news industry.

"RIGHT OR wrong," Perlik said in his opening address to the convention, "our members, their training, their attitudes, their methods of work and their performance are increasingly the target of this criticism, and in many cases they are being called to account for sins which they are not responsible. . . .

"If we are going to be held responsible for what is going on in this industry, then we had damn well better acquire some responsibility for it."

Responding to another call by Perlik, the convention authorized a special convention in the fall to take up a proposal for merger of the Guild and the International Typographical Union, if the proposal is completed by September or October.

PERLIK reported that, after a year's hiatus, resumed talks between the unions early in June had produced significant progress on issues unresolved in the previous 41 months, and that he had hopes a full merger proposal could emerge from additional talks scheduled for late August.

In other actions, the Guild convention:

- Approved increasing the union's minimum dues by one-half percent, to 5.5 percent of a week's pay per month effective Dec. 1, and to 6 percent effective next May 1, subject to membership referendum in the fall.
- Called for greater efforts to eliminate sexual harassment in the workplace whether perpetrated by members of management or the Guild.
- Pledged the Guild's full support for re-introduction and ratification of the Equal Rights Amendment to the Constitution.
- Condemned the Polish military regime for its suppression of the Solidarity union movement and its official dissolution of the Solidarity-affiliated Polish Journalists' Association. Delegates contributed $620 to TNG's Polish Journalists' Aid Fund.
- Endorsed the movement for an immediate bilateral freeze on "the production, testing and deployment of nuclear weapons as the first step toward a reduction and elimination of the world's nuclear arsenals."

Chemical Disclosure Rule Scored as Ineffective

By John R. Oravec

The Reagan Administration's proposed "hazard communication" standard needs strengthening in a number of areas to assure that workers receive adequate information about dangerous substances they encounter on the job, the AFL-CIO said.

Federation witnesses testifying at the opening round of Occupational Safety & Health Administration rulemaking hearings in Washington branded the proposal woefully lacking in scope and effectiveness.

PRESIDENT FRANK D. Martino of the Chemical Workers charged in presenting the AFL-CIO testimony that the OSHA rule would fall far short of a strong "right-to-know" standard that labor has sought for the past decade.

"Rather," he stressed, "the proposed regulation is a legal license for industry's continued 'right-to-conceal' from workers and their representatives the identities and hazards of workplace chemicals."

As the standard is currently drafted, Martino pointed out, only about 14 million workers in manufacturing industries would be covered, while some 60 million workers in construction, transportation, warehousing, service trades and agriculture would be left unprotected.

"One in every four workers throughout all sectors of American industry is potentially exposed to toxic substances," he said. "Yet after 10 years of federal health and safety protection, most workers in this country have no idea about the identity of the chemicals they work with or the hazards of exposure. Trade names, code names and inadequate warnings characterize the information most workers have available on a daily basis."

A long-awaited right-to-know standard was proposed by the outgoing Carter Administration in January 1981, but "the Reagan Administration dealt the working people of this country a cruel blow by arbitrarily withdrawing the proposed regulation at the request of the chemical industry," Martino charged.

Only after labor groups began to succeed in attaining toxic labeling statutes at the state and local level did the Administration come up with proposals that had the backing of the chemical industry and other employer groups.

"UNFORTUNATELY," he observed, "this industry support is not motivated by a belief or conviction in the worker's 'right-to-know' but by the hope a federal regulation will preempt or sidetrack local activity."

The watered-down proposal that OSHA is now considering gives too much leeway to industry to make trade secret claims, the AFL-CIO charged.

Only chemicals determined hazardous by the manufacturer under loose definitions and procedures would have to meet requirements for labeling, listing, safety data sheets and training.

"The AFL-CIO believes that all chemicals, regardless of the hazard determination, must be covered by meaningful identification provisions," Martino told the hearing panel.

In cross-examination comments following the testimony, AFL-CIO Occupational Safety Director George H. R. Taylor pledged that the federation and its affiliates would continue to press for state and local toxic labeling laws "as long as we can and until such time as we see a strong federal standard."

TAYLOR SAID he expects long delays before final issuance of an OSHA labeling standard, which would then face Office of Budget & Management review and court challenges.

The federation's call for an effective standard was reinforced in testimony by representatives of affiliated unions.

Director J. Donald Millar of the National Institute of Occupational Safety & Health also questioned the adequacy of the diluted OSHA draft, zeroing in on the scope of coverage and the hazard definition.

"We feel that significant changes are needed to ensure that such a rule is effective in protecting the health and safety of American Workers," Millar testified.

OSHA will hold additional hearings on the proposal in Houston beginning July 13; in Los Angeles, July 20, and in Detroit, July 27.

Social Security Benefits Up 7.4% in July Checks

The nation's 36 million social security beneficiaries were to receive an almost-full 7.4 percent cost-of-living increase in their July benefit checks. But the deduction for the optional medical insurance to pay doctor bills also went up.

The increase, based on the cost-of-living rise from the first quarter of 1981 to the first quarter of 1982, raises the average single beneficiary's payment by $27—to $406 a month. In many cases, the increase is less than the full 7.4 percent since Congress last year decided to economize by rounding off benefits to the next lower dollar.

Monthly premiums for the optional medical insurance were raised $1.20, bringing the deduction to $12.20 a month.

Reagan's Shell Game

DO NOT BE surprised if that highly publicized tax cut that went into effect this week does not look like much in the paycheck. Like all the other big changes that the Reagan Republicans have brought us, the income tax cut was aimed to make life easier for those in the upper, upper tax brackets.

The financial pages of the newspapers give early warnings of where the rest of the tax cut is going. On just one day this week, the U.S. Treasury had to pay 14.96 percent interest over four years to borrow $4 billion. That's about $2.4 billion in interest alone over those four years, and it means interest rates are rising again.

The bottom line is that because the Reagan Administration slashed taxes so deeply for corporations, real estate speculators and rich individuals, there are not enough savings in the economy to finance the huge federal deficits, new industrial investment and the needs of small businessmen, farmers and individuals who simply want to buy a new car or a house.

At the county fair, they used to call that the shell game. In this case, the tax cut handed out by one hand is being paid back to the banks in the form of higher interest.

Skirting the Trade Rules

The following letter by AFL-CIO Research Director Rudy Oswald was published by the New York Times, June 29, 1982.

ON WEDNESDAY, June 8, 1982, the New York Times published another story about the possibility of retaliation by the European Community if the United States enforces its trade laws. Both the reporting and the statements by the Europeans raise some very serious questions about the meaning of international trade agreements.

In 1979, the U.S. Congress acceded to the demands of the European Community and changed U.S. law in order to require an injury finding for action to counteract subsidized imports. Congress was told that this was the "price" of getting the Tokyo Round settled. In return, the Europeans agreed to sign a subsidies code. This code clarified agreements that subsidized exports are a violation of international trade rules.

U.S. LAW IS NOW being enforced in accordance with that agreement. The subsidies code declares export subsidies a violation of international agreements per se. Thus, the producers in the European Community are the guilty parties under both national and international law.

The New York Times, in reporting the threat by the Europeans to retaliate against the United States, should not have omitted the fact that the Europeans are violating the international agreement and U.S. law. When the New York Times does not recall or report this fact, it appears to make those who are illegally subsidizing exports of steel to this market the injured parties.

Rather, it is U.S. industry and its workers who are injured and have the legal right to retaliate. No trade war should follow.

It is time to decide whether only the United States is to suffer in trade and play by the rules, or whether other nations have an obligation to meet their commitments under rules which they agreed to only three years ago.

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THOMAS R. DONAHUE, *Secretary-Treasurer*
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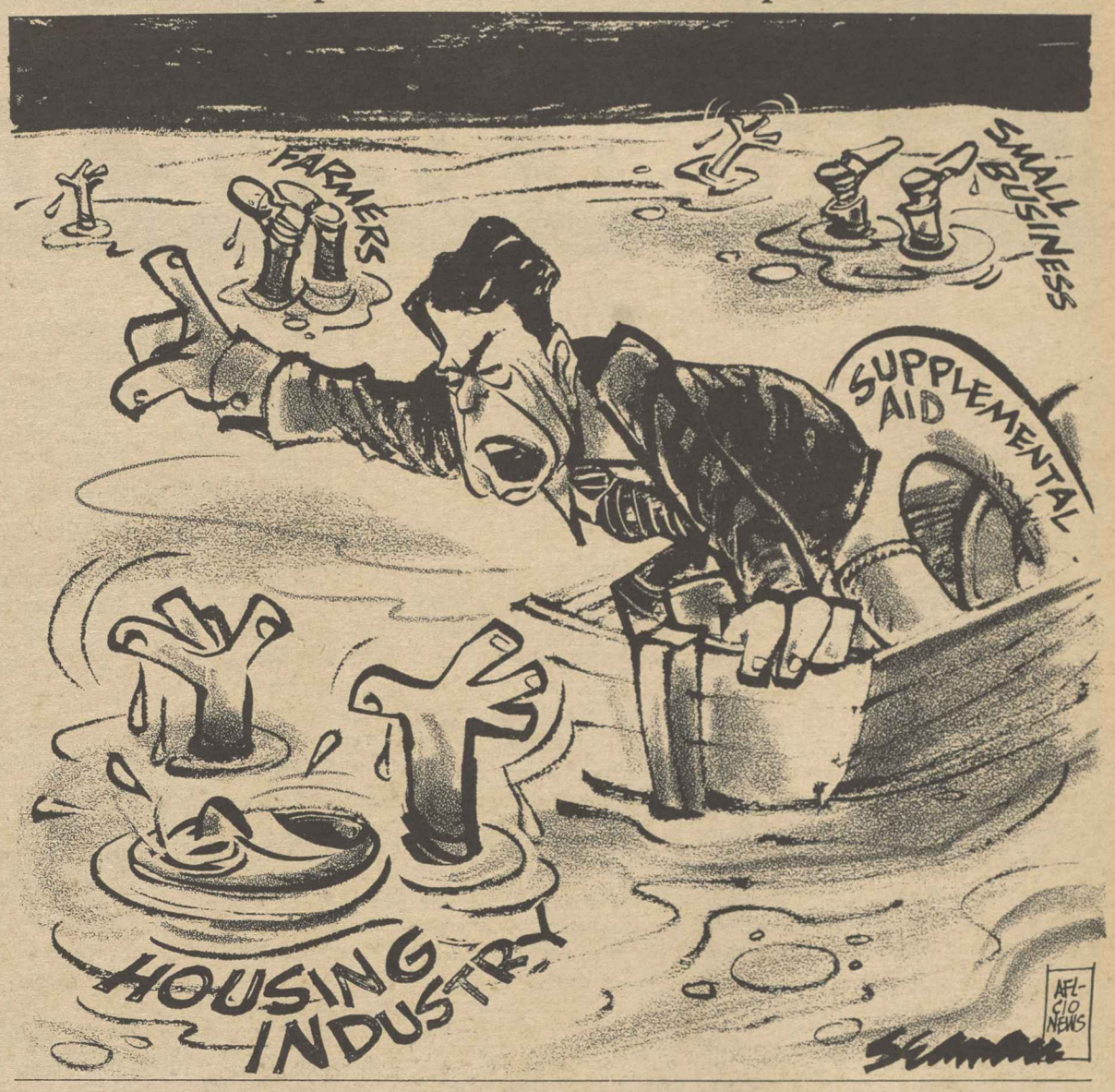

Washington Window

Reagan's Unpopular Policies Provoke Widening Backlash

By Press Associates, Inc.

IS THE REAGAN Administration out of touch with the American people? Is the conservative coalition of Republicans and southern Democrats which controls Congress out of touch with the voters?

The 1982 elections are drawing closer and only then will we know whether the voters will be expressing anger, apathy or agreement. For now, we can only look at numbers.

The "numbers of politics" are becoming more and more important in public affairs. The unemployment rate can be politically explosive, especially since it is at record postwar levels. And even if there is a sluggish recovery, the inflation rate will begin moving upward again, stirring mass anxiety.

THE NUMBERS NOW flowing from respected polling sources should be scaring the wits out of conservative incumbents, the Republican Party and the business establishment.

Louis Harris, the pollster, offered some surprising numbers in a recent speech to the American Public Health Association in Washington.

Harris said surveys taken at the start of the Reagan Administration gave conservative leaders a vision that "the Reagan Revolution would produce an earthquake change in American politics" similar to FDR's New Deal.

But now, just over a year later, Harris said, the numbers show that "the Reagan earthquake change is rapidly producing a counter earthquake change the likes of which we have not seen in many a year."

WHEN REAGAN presented his economic program in February 1981, Harris noted, 79 percent of the people wanted to give it a chance. On budget cuts, there was public support for cutting CETA jobs, food stamps, public works and even jobless benefits.

Last year, the people wanted "no cutbacks whatsoever" in social security benefits, Medicaid, Medicare, federal aid to education, health programs, veterans benefits and military spending.

Harris said doubts began to grow after six months, doubts about the fairness of the Reagan program to the elderly, the poor and the handicapped. In the environmental area, as people got to know James Watt and Anne Gorsuch, the idea grew that the Administration wanted to roll back the Clean Air and Clean Water Acts. But, said Harris, the people wanted the laws kept or made even stronger, 84 percent for clean air and 94 percent for clean water.

The reaction against the Reagan program really took hold in 1982, Harris said.

WHERE PEOPLE thought a year ago, by a 70 to 21 percent margin, that the Reagan economic program would be fair to them, the view now has been reversed. Today, by 51 to 44 percent, a majority of the people believes the program is unfair. A majority of 62 percent feel it is unfair to small business; 59 percent say it is unfair to farmers; 72 percent view it as unfair to the elderly and 76 percent as unfair to the poor.

The deepest recession of the post-World War II era has added fuel to the fire of this rising sentiment, Harris said. And, he added, "major goofs" have soured millions of Americans. The prime example, he said, is in the 50-64 year-old age group, which voted for Reagan by a 17-point margin, higher than any other. Now that group gives Reagan a 62 to 33 percent negative rating. The reversal came with the plan by Health & Human Services Sec. Richard Schweiker and Budget Director David Stockman to cut early social security retirement benefits by 40 percent.

This group has never forgiven the Administration, Harris said, even though his research shows that 65 percent of the 50-64 age group never wants to retire early or even at 65.

Harris said the people are now becoming convinced that America could well be stripped of all its compassion for decency and humanity, and that the establishment has been taken over by those who would repeal enlightened legislation and help for the less privileged.

IN HARRIS'S view, women now are more militant, the elderly alarmed, the young and affluent worried about nuclear holocaust, workers hurt by the economy, farmers being foreclosed, small businesses fearful of bankruptcy and environmentalists up in arms.

There is no conservative earthquake, Harris concluded, but just the opposite. The question is whether the discontent will be translated into action in the fall elections.

AFL-CIO LEGISLATIVE ALERT!

Balanced Budget Amendment Will Cost You Money

The Constitutional amendment to force balanced budgets is scheduled to be taken up by the Senate upon its return from the Independence Day recess on July 12. There is still time to fight this unwise legislation, but a big showing of opposition is needed to prevent it from being railroaded through the Senate.

Political Appeal Leading Senators Astray

Many Senators are engaging in political posturing on the issue--backing the amendment publicly even as they admit privately that it's a bad idea economically and Constitutionally. As Congress votes for the most unbalanced budget ever, and has to keep increasing the debt limit, they see this Constitutional amendment as an easy way to show the voters that they favor the goal of balanced budgets.

Unfortunately, the vote is not a meaningless gesture--the amendment would in fact do irreparable harm to the budget process, forcing immediate and massive new cuts in programs and enormous tax hikes.

It is not respected economists who are pushing this legislation but rather fund-raising pressure groups such as the National Taxpayers Union and National Tax Limitation Committee. If the balanced budget amendment is passed, these right-wing groups will stand back and watch as programs such as Social Security are slashed and your taxes are increased.

WRITE YOUR SENATORS NOW

U.S. Senate
Washington, DC 20510

Dear Senator _____:

S.J. Res. 58, the balanced budget amendment, would prevent Congress from using its taxing and spending authority to end depression, natural disaster or other emergency. If in place this year, it could require new budget cuts about 3 times as large as last year's.

Transient economic policy has no place in the U.S. Constitution. I urge you to oppose S.J. Res. 58.

Sincerely,

_____

Cuts in Unemployment Compensation Take Effect

As the Reagan recession throws millions of Americans out of work, the Reagan budget cuts made in 1981 are now denying unemployment compensation to many of the jobless. Recently the Reagan cuts forced the following five states to "trigger off" the extended unemployment benefits program, ending payments to anyone jobless longer than 26 weeks.

State/Date EB ended	Number of Jobless Immediately Losing Benefits
Arkansas/7-3-82	5,776
Maine/7-3-82	3,146
Massachusetts/6-26-82	13,590
Missouri/6-19-82	15,751
New Jersey/6-19-82	35,285
	73,548

WHAT YOU CAN DO: A bill to provide 13 weeks of supplemental unemployment compensation to those who have exhausted all other benefits may reach the House floor soon after the recess. Urge your Representative to support H.R. 6369 (formerly H.R. 6085) by Rep. Harold Ford (D-TN).

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This page of the AFL-CIO News is a digest of the Legislative Alert! newsletter. The bi-weekly Alert! provides more complete details about upcoming labor issues in Congress.

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Wall Street Leaders Set Lobbying Drive To Alter U.S. Budget

* * *

Plan Asks Social Security Cuts, Reduced Defense Outlays, Boost in Consumer Taxes

WALL STREET JOURNAL, Thursday, June 24, 1982

Business Blames Recession on Federal Deficit, But Lobbies To Keep Their Tax Windfalls

Wealthy individuals and businesses successfully lobbied Congress for a massive tax cut in 1981. As a result, federal revenues are reduced and the deficit has risen--but do business leaders blame themselves? No, they want you to make up that shortage.

1) There are two ways to cut the deficit: tax increases and more program cuts. Either way, business wants you to pay.

Regarding tax increases, business groups are lobbying to retain all of their windfall tax cuts, and Republicans on the Senate Finance Committee have agreed to try to place new tax burdens on you:

- Higher taxes on tobacco and telephone rates: you pay.
- More stringent limitations on federal tax deductions for medical care and casualty losses: you pay.
- Requiring federal workers to pay the Medicare portion of the Social Security tax: federal employees pay.

Regarding budget cuts, this year the business/GOP coalition is focusing on middle-class "entitlement" programs, particularly Social Security, Medicare, and veterans' benefits.

2) The AFL-CIO has a fairer proposal: Why not repeal those tax windfalls of 1981 which caused the huge deficit? As the chart shows, the 1981 Reagan tax cuts for the wealthy are substantially responsible for the record-high deficit.

	All figures FY 1983
Current Reagan/GOP budget deficit:	$104 billion
Portion of Reagan tax cuts that benefit wealthy individuals, corporations:	$60-70 billion
Tax increases called for in new Reagan/GOP budget:	$21 billion
Revenues raised by AFL-CIO-backed H.R. 6257:	$34 billion

3) If business wants to cut the deficit, here's where to begin. The AFL-CIO-backed Equity Tax Act, H.R. 6257, would go a long way toward lowering the deficit. H.R. 6257 includes:

- A $700 cap on individual tax cuts, maintaining full tax cuts for those who make $40,000 or less
- Restoration of estate and gift taxes
- Restoration of windfall profits tax on oil companies
- Repeal of tax "leasing" and other loopholes

Mid-Session Status Report

VOTING RIGHTS ACT: Success! Strong extension passed by Senate, signed, enacted.

EIGHT-HOUR DAY: Another victory. Amendment to kill the 8-hour day for workers on federal contracts killed in Senate.

PUBLISHING INDUSTRY JOBS: Senate approved House-passed bill to maintain law requiring U.S. book manufacturers to publish here. 350,000 jobs saved if bill is not vetoed by President.

EQUAL RIGHTS AMENDMENT: Urge your Senators to cosponsor the resolution reintroducing ERA by Sens. Paul Tsongas (D-MA) and Bob Packwood (R-OR). Urge your Representative to cosponsor the ERA resolution by Reps. Patricia Schroeder (D-CO) and Don Edwards (D-CA).

BANKRUPTCY AMENDMENTS: The consumer credit industry wants to prevent bankruptcy relief for virtually all debtors, no matter how unfortunate the circumstances. Urge opposition to S. 2000 in the Senate and H.R. 4786 in the House.

GOP Leader Says Recession Is 'Beneficial'

Republican National Committee Finance Chairman Richard DeVos recently told fellow GOP members that "This recession has been a beneficial thing and a cleansing thing for this society." DeVos, president of Amway Corp., called labor unions "a negative wind."

AFL-CIO News

MEMO FROM COPE PAGE 8

Vol. XXVII | Saturday, July 10, 1982 | No. 27

MERCILESS POLICIES of the Reagan Administration are moving the country backward, destroying half a century of programs that help plain people and creating the highest unemployment since the Depression, AFL-CIO Sec.-Treas. Thomas R. Donahue told thousands of demonstrators who ignored a rainstorm to attend the protest organized by the New York State AFL-CIO on the capitol grounds in Albany. With Donahue is Al Provenzano, New York legislative director for the Transport Workers. **(Story, Page 6.)**

Jobless Rate Holds At 9.5% as Layoffs Continue to Mount

By James M. Shevis

Joblessness remained unchanged at 9.5 percent in June, but the rate—the highest since the Depression of the 1930s—masked severe structural deterioration in the job market. Unemployment among adult men, black teenagers, and so-called "discouraged" workers hit new highs.

"For those fortunate enough to be working, their number of hours on the job were reduced," observed AFL-CIO Sec.-Treas. Thomas R. Donahue. "Specific employment declines continued in mining, construction, manufacturing, transportation and public utilities, and wholesale trade.

"WITH THIS sad background, the effect of President Reagan's recent veto of job-creating, homebuilding legislation comes into sharp focus. This callous action ignored the demand of 12 million Americans for jobs and the necessity for a new national policy to create jobs," he said.

"It is nonsense to talk about the recession ending given this persistent, high rate of unemployment."

The current level of unemployment is the highest since 9.9 percent for all of 1941, and if the discouraged workers—individuals who have given up looking for work—and those working part-time because they cannot find full-time jobs were factored in, the true extent of joblessness would be much higher than official government figures reflect. The Bureau of Labor Statistics, which compiles the monthly employment and unemployment figures, does not include these workers in computing the national rate of joblessness.

THE NUMBER of discouraged workers rose 160,000 to a record seasonally adjusted 1.5 million over the second quarter. Workers on part-time status for "economic reasons" dropped by 300,000 to 5,763,000 in June, an unusually large decline. The AFL-CIO, which counts all of the discouraged and half of the part-time workers in estimating true unemployment, calculated last month's true jobless rate at 13.2 percent, with 14.7 million unemployed workers.

BLS Commissioner Janet L. Norwood told the congressional Joint Economic Committee that despite the steadiness in the rate, the labor market "appears to have been somewhat weaker in June than it was in May."

Norwood pointed to the rise of three-tenths of 1 percent in the jobless rate for adult men, to a post-war record 8.7 percent, and a decline in seasonally adjusted factory employment as signs of a weakening job market.

ONLY ONE-THIRD of the nearly 200 nonfarm industries surveyed by BLS reported increased employment in June, compared with 50 percent in May. Analysts consider the unemployment rate

(Continued on Page 3)

Benefits Cut Off For Millions of Slump's Victims

Cuts in unemployment insurance protections that Congress imposed last year have slashed the safety net for more than 4 million recession victims, according to estimates by the AFL-CIO Dept. of Social Security.

Even as the jobless rate stuck at its post-war high of 9.5 percent, the number of states paying extended unemployment benefits continued to drop. One of the changes adopted by Congress in last year's budget-slashing binge eliminated the national trigger for the extended benefits program. Another changed the method of calculating state triggers so that the workers unemployed for more than 26 weeks would no longer be counted.

THAT LAST money-saving gimmick alone was largely responsible for the fact that only 30 states still pay extended benefits, according to Arleen Gilliam, an assistant director of the AFL-CIO Dept. of Social Security.

(Continued on Page 3)

Union Stand Upheld

Federal Court Blocks GPO Furlough Order

By Susan Dunlop

Union workers at the Government Printing Office scored a key victory when a federal judge ordered the head of the GPO to obey Congress and drop plans to furlough employees for six days without pay.

The ruling of Judge Oliver Gasch of the U.S. District Court for the District of Columbia supported the stand of the unions and workers at the GPO that Public Printer Danford L. Sawyer has no authority to defy an order from the congressional Joint Committee on Printing to cancel a series of six one-day furloughs of the facility's 6,000 employees.

THE JULY 2 decision came in time to block the first of the layoffs, which had been scheduled for July 6.

William C. Boarman, president of Columbia Typographical Union 101 which represents the largest number of GPO workers, called the decision a victory "for the rule of law." The order confirms the unions' position that the Public Printer "is subject to the control of the Joint Committee on Printing" which oversees GPO, Boarman said at a press conference following announcement of the court's ruling.

Sawyer, a former Florida advertising executive appointed by President Reagan, had claimed the furloughs were necessary to cut costs at the GPO under a general mandate to reduce government spending. He also argued that the volume of work is declining at the GPO which does government printing, including the Congressional Record, on a fee for service basis.

SAWYER HAD refused to negotiate with the unions over the furloughs, maintaining that the joint committee had no

(Continued on Page 2)

High Court Upholds Civil Rights Boycott

By David L. Perlman

The Supreme Court upheld the free speech rights of Mississippi blacks who launched a civil rights boycott 16 years ago.

The court's 8-0 decision, bristling with judicial outrage, nullified a state court verdict that at one time threatened to bankrupt the national NAACP and impoverish its most active supporters in Claiborne County, Miss.

The AFL-CIO had more than a passing interest in the case.

A STATE chancery judge, acting without a jury, in 1976 awarded 12 Claiborne County merchants and their attorneys damages totaling more than $1,250,000. He based his verdict on doctrines of conspiracy, malice, secondary boycotts and antitrust claims reminiscent of the blatant management attempts of an earlier era to thwart union organizing.

JOINTLY LIABLE with the NAACP were more than 100 individual defendants. Most of them were accused of nothing more than "regular attendance and participation at the Tuesday meetings of the Claiborne County branch of the NAACP."

To appeal the decision, the NAACP had to post a cash bond of $1.6 million—equal to 125 percent of the amount of damages as required by Mississippi law.

It could come up with only $763,374, and the AFL-CIO promptly offered to guarantee the balance of more than $800,000. The Industrial Union Dept. and the Auto Workers joined for $200,000 each of the guarantee.

Lane Kirkland, then the AFL-CIO's secretary-treasurer, explained labor's involvement: The civil rights and trade union movements are allies in the battle for social justice, and "We do not abandon our friends in the midst of battle."

SUBSEQUENTLY, more enlightened courts reduced the bond; the Mississippi Supreme Court found the penalty excessive and struck down part of the findings of the chancery judge. The state's highest court concluded, however, that the entire boycott was unlawful and damages must be paid because there were incidents of unlawful force or threats during the various periods of the boycott.

But the U.S. Supreme Court saw merely robust free speech, protected by the Constitution, in the words spoken at the boycott meetings held in the First Baptist Church in Port Gibson, the county seat.

Most of the 12,279 residents of Claiborne County are black. But in 1966, both the newly passed Voting Rights Act

(Continued on Page 2)

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NAACP Upheld on Mississippi Rights Boycott

(Continued from Page 1)

and the Civil Rights Act were just beginning to make their impact felt and the black citizens of the county were still largely frozen out of both political power and all but the most menial jobs.

THIS WAS the situation on the night of Friday, Apr. 1, 1966, at a meeting called by the NAACP to hear the report on a petition that had been presented to public officials of Port Gibson and Claiborne County.

As the court records show, the petition called for the desegregation of schools and public facilities, the hiring of black policemen, street improvements in black neighborhoods, integration of bus station facilities and an end to verbal abuse by police.

It said that "Negroes are not to be addressed by terms such as 'boy,' 'girl,' 'shine,' 'uncle,' or any other offensive term, but as 'Mr.,' 'Mrs.,' or 'Miss,' as is the case with other citizens."

IT CALLED for the hiring of blacks as store clerks and cashiers. And it expressed the hope that "selective buying campaigns" wouldn't be necessary to achieve these goals, because the time and energy "could be better directed at solving these problems which exist by mutual cooperation and efforts at tolerant understanding."

As the Supreme Court noted, "a favorable response was not received." And at the Apr. 1, 1966, meeting, "it was the unanimous vote of those present, without dissent, to place a boycott on the white merchants of Port Gibson and Claiborne County."

In the audience, conspicuously taking notes, was the white county sheriff. At some subsequent meetings, tape recordings were made by public authorities and transcripts were to be introduced in evidence to back up claims made by the merchants that there were threats against any blacks who did not participate in the boycott.

In particular, a speech by Charles Evers, an NAACP field representative and brother of slain civil rights leader Medgar Evers, was quoted by the state court as a summons to illegal violence. But the Supreme Court didn't find it so.

"STRONG AND effective extemporaneous rhetoric cannot be nicely channeled in purely dulcet terms," Justice John Paul Stevens wrote in the high court's decision. "An advocate must be free to stimulate his audience with spontaneous and emotional appeals for unity and action in a common cause." Stevens quoted from an earlier Supreme Court decision that "debate on public issues should be uninhibited, robust and wide-open."

The Supreme Court said perpetrators of specific acts of illegal violence could be punished under state law and held responsible for damages specifically linked to the illegal actions. But it refused to go along with the state court's assumption that the boycott was so tainted by illegality that it should be enjoined and its supporters punished.

MORE TO the point than occasional inflammatory words, a broken window, or tough talk to a black seen patronizing a boycotted store, the Supreme Court found, was this excerpt from the state court transcript when a woman identified as Julia Johnson was asked how she observed the boycott. This was her reply:

"I just stayed out of the stores, because I had my own personal reasons to stay out of the stores. There were some things I really wanted, and the things I wanted were the right to vote, the right to have a title—Mrs. or Mr. or whatever I am, and not uncle or aunt, boy or girl. So that's what I wanted.

"And if I wanted a job, a qualified job, I wanted to have the opportunity to be hired. Not because I'm black or white, but just hired."

JUSTICE STEVENS, writing for the court, noted the absence of evidence that any illegal conduct was "authorized, ratified or even discussed" at any of the boycott meetings of the NAACP branch, even though "the sheriff testified that he was kept informed of what transpired at the meetings" when he was not himself present.

Thus "to impose liability for presence at weekly meetings of the NAACP" would not even be "guilt by association," Stevens commented. It would amount to "guilt for association." Neither doctrine "is permissible under the First Amendment," he stressed.

Justice Thurgood Marshall, the Supreme Court's lone black member and a former counsel for the NAACP, did not participate in the decision.

THE ORIGINAL boycott had been stopped and renewed on two occasions. But while the lawsuit made its slow way through the state and federal courts, times were changing in Mississippi's Claiborne County.

Dr. Aaron Henry, who then and now was president of the Mississippi state NAACP organization, told the AFL-CIO News of some of the changes.

Black office holders dominate the county government and share city offices, he said. And Claiborne County's sheriff is a black.

When he goes into the First Baptist Church these days, it's not with a tape recorder.

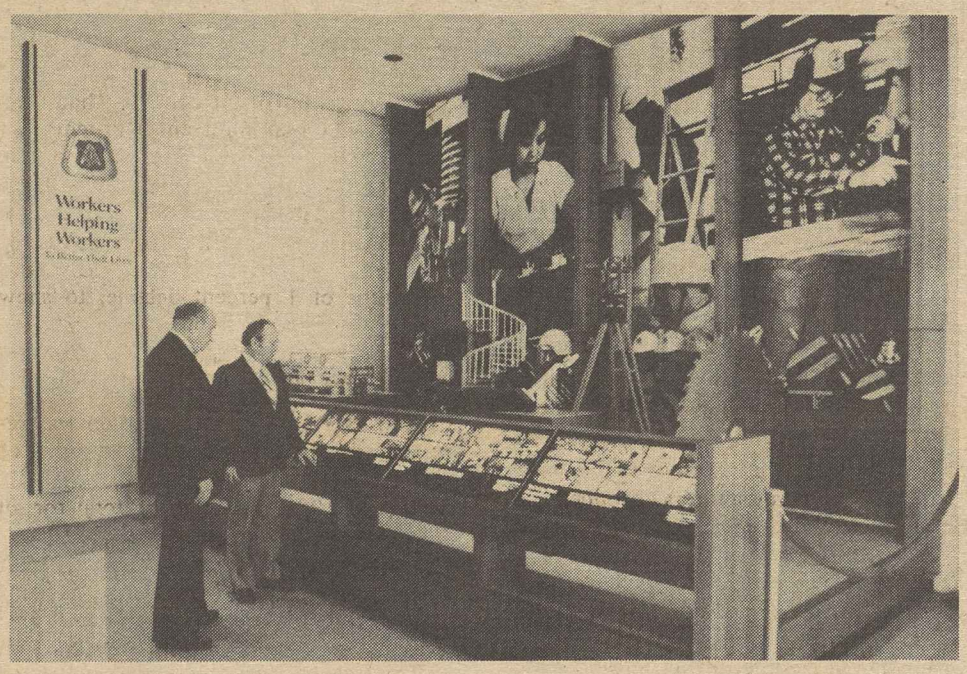


EXHIBIT COMMEMORATING the first 100 years of the Carpenters has been installed in the main lobby of the union's Washington headquarters. The exhibit has two displays—one featuring artifacts and tools from the early days of the craft and the other showing present day activities and equipment. Members Frank Krajacich and John Monica of Lakehurst, N.J., take in the displays during a recent visit to Washington.

Balanced Budget Amendment First on Senate's Schedule

Congress faces a thicket of budget-related controversies when it returns from a holiday recess on July 12.

The immediate agenda includes a proposed constitutional amendment to require a balanced federal budget and resumption of an appropriations battle that has already resulted in two presidential vetoes and unpaid "furloughs" for some government workers whose agencies have run out of funds.

SIMMERING in both House and Senate committees is a witches' brew of proposals for the further cutbacks in government programs needed to bring spending estimates in line with the budget restrictions Congress adopted last month.

On the other side of the coin, the Senate Finance Committee agreed on recommendations to raise the $21 billion in new tax revenues called for in the budget, and the House Ways & Means Committee was scheduled to begin its markup shortly. The Republican-controlled Senate committee ignored the AFL-CIO's principal proposals to undo the tilted-to-the-rich bias of the tax cut Congress enacted last year. But the AFL-CIO's tax expert, Assistant Research Director Arnold Cantor, said elements of the Senate committe's proposal "at least move in the right direction."

The proposal to write into the Constitution a requirement that Congress adopt a balanced budget each year, with rare exceptions, has only recently been viewed as a real danger to American government and not just another crackpot theory of the far right.

Labor has fought the proposal from the start as wrong in principle and unworkable in practice. AFL-CIO President Lane Kirkland and presidents of leading unions joined with nationally known economists, law professors and public figures in sponsoring a newspaper advertisement attacking the proposal.

THE ADVERTISEMENT quoted the words of the famed Supreme Court justice of yesteryear, Oliver Wendell Holmes, that "a Constitution is not intended to embody a particular economic theory."

The signers of the advertisement note that they do not all agree on the appropriate level of federal spending, but oppose tying the hands of Congress and the President "to respond to a domestic economic crisis" or to upgrade national security. Further, the amendment "assumes that budget planning is an exact science when all recent experience shows that there are many uncontrollable forces which affect revenues and expenditures," the advertisement pointed out.

Court Blocks Hospital's Bid To Desert Social Security

San Francisco—A federal appeals court order obtained by the Service Employees has blocked at least temporarily an attempt by the Ralph K. Davies Medical Center here to end unilaterally social security coverage for its workers.

SEIU President John J. Sweeney hailed the stay issued by the 9th Circuit U.S. Court of Appeals as a possible turning point in the union's campaign to prevent an "epidemic" of withdrawals by non-profit hospitals from the social security system.

CONGRESS MADE social security coverage optional for public employers and non-profit organizations.

Once an institution chose to be covered, it had to remain for at least eight years and could withdraw from the system only after a two-year notice to the Internal Revenue Service.

The SEIU and other unions representing health care workers have expressed alarm at the wave of scheduled pullouts by hospitals seeking to avoid the social security payroll tax—and at the fact that many of these institutions never notify their workers when they file an intent to withdraw.

The Service Employees Union has pending a Freedom of Information court suit, to compel the Internal Revenue Service to disclose the names of hospitals that have served notice of withdrawal.

IN THE San Francisco case, the National Labor Relations Board is also involved as the result of an unfair labor practice charge brought by the SEIU. The hospital did not notify the union that it had filed notice of withdrawal until 18 months after the fact—even though it had negotiated a renewal of the union contract in the interim.

When it belatedly got around to notifying the union that it was cancelling social security coverage—and protection—for its employees, the hospital offered its own private pension plan as a replacement.

The SEIU challenged the company's right to unilaterally drop social security coverage and brought an unfair practice charge with the NLRB. The San Francisco regional director initially refused to issue a complaint, but he was overruled by the NLRB general counsel on June 22. The SEIU and the NLRB then sought a district court order blocking the abandonment of coverage, but were turned down.

The appellate court then granted a stay, just hours before the withdrawal was to have become effective.

That guarantees a further hearing on the merits, Sweeney noted. But even if successful, he said, the ban would only apply to institutions where workers are organized.

He strongly urged the passage of labor-supported legislation that has been introduced in Congress to bar employers from withdrawing from the social security system.

Sweeney charged that the wave of withdrawals stems in large part from the advice of "outside consultants who are marketing various types of replacement plans" which are touted as costing the non-profit health care institutions less than social security coverage.

Unions Upheld As Judge Blocks GPO Furloughs

(Continued from Page 1)

authority over him in the matter.

Judge Gasch's decision cited federal laws, including the 1924 Kiess Act, which require the public printer to bargain with the agency's workers and give the joint committee of Congress broad authority over the agency and final decision-making power in disputes with employees.

The unions have also been stung by what they have called a "smear campaign" and an attempt at union-busting by Sawyer.

In speeches before conservative groups and in newspaper articles, Sawyer has called GPO workers "overpriced and underworked" in comparison to private sector workers.

Boarman has pointed out that the wages of GPO workers are comparable to or slightly less than those of union workers in similar private sector jobs and that GPO's own financial statements disprove the argument that the agency is operating in the red.

THE JOINT Committee on Printing will begin fact-finding on July 12 before reaching a decision on terms of a new contract for GPO union employees.

Under the Kiess Act, the decision was referred to the committee when the unions and the Government Printing Office management were unable to agree on terms before the contract expired June 18.

Sawyer's "final offer" consisted solely of a proposal for a 22-percent wage cut over three years, Boarman said.

Jobless Rate Continues at 9.5 Percent

(Continued from Page 1)

among adult men one of the most significant statistics in BLS's monthly report, since men generally are the last to be laid off in a recession.

Among other labor force categories, the jobless rate for full-time workers rose slightly, from 9.2 percent in May to 9.4 percent in June; factory joblessness rose over the month from 11.6 to 12.3 percent, matching the 1975 record, and construction unemployment climbed from 18.8 to 19.2 percent.

Black workers continued to bear the brunt of unemployment, with an overall Depression-like jobless rate of 18.5 percent, a two-tenths of 1 percent decline from the May level. But black teenage unemployment jumped from 49.8 percent in May to a new record of 52.6 percent.

THREE OF the 10 largest states reported double-digit unemployment last month, with Michigan at 14.4 percent, Ohio at 12.3 percent, and Illinois at 11.3 percent.

Joblessness has steadily increased since July 1981, when most economists believe the Reagan Recession began. The jobless rate a year ago was 7.2 percent. A further rise is conceded by analysts in and out of government.

The number of unemployed workers dropped last month by 122,000 to 10,427,000, as labor force participation fell from an abnormally high rate in May. The labor force declined 475,000 to 110,191,000 while employment fell 353,000 to a seasonally adjusted 99,764,000 after rising 777,000 in May.

BY INDUSTRY, manufacturing suffered the biggest employment setback, declining by 143,000 jobs in June. Other large losses were in construction, 42,000; transportation and public utilities, 25,000, and wholesale trade, 24,000.

In addition, long-term unemployment—joblessness of 15 weeks or more—increased significantly in June with the average duration rising almost two weeks to 16.5 weeks. The average workweek for nonfarm workers fell to 34.8 hours.

IUE Locals Approve General Electric Pact

The Electrical, Radio & Machine Workers overwhelmingly approved a new nationwide contract with General Electric Co.

IUE President David J. Fitzmaurice said 76 of 86 IUE locals representing 52,726 members had ratified the three-year agreement. Results from the other locals were not complete.

The settlement provides wage increases and significant job and income security. Twelve other unions represented by the Coordinated Bargaining Committee of GE and Westinghouse Unions have also agreed to the pact. IUE represents the largest number of workers covered by the contract.

GROWING POLITICAL UNITY among AFL-CIO affiliates is emerging in the battle against the Reagan Administration's threat to "every piece and thread of social legislation" put together in the last half century, Federation Sec.-Treas. Thomas R. Donahue told the Railway & Airline Clerks legislative and political conference. More than 500 delegates at the three-day meeting also heard BRAC President Richard I. Kilroy point out that working people will have an opportunity to help turn around Reagan's policies through their votes in this year's elections.

Air Controllers Submit Petition For Bankruptcy

The government could save millions of dollars by rehiring members of the Professional Air Traffic Controllers Organization discharged for ignoring President Reagan's back-to-work order last summer, PATCO President Gary Eads said as he filed a bankruptcy petition in behalf of the union.

"President Reagan has proved his point to everyone," Eads said at the U.S. District Court building in Washington, where he filed the necessary papers with the U.S. Bankruptcy Court. "It is logical to ask, what more can be gained by a policy which lacks understanding and flexibility and appears to be designed only to prove a point?"

IF THE DISMISSED controllers were reinstated, and the government were to forgo its massive retraining program for new hires, the nation's air traffic control system would be operating at full capacity in a matter of weeks, not years, and at a much reduced cost, Eads said.

"If this Administration is truly concerned about the cost of operating the government and about government waste, obviously reinstatement would be the most logical course of action they could take," Eads said.

Some 11,000 PATCO members were fired by the Administration in August 1981 when they refused to call off their strike against the Federal Aviation Administration and return to work. PATCO's certification as bargaining agent for the controllers was withdrawn last October by the Federal Labor Relations Authority, and the decision was upheld by a federal appeals court last month. The union's latest action was a petition for liquidation under Chapter 7 of the bankruptcy laws.

Business Failures Increase As Jobs, Production Decline

The Reagan Recession tightened its stranglehold in June as production, new orders, and employment in the industrial sector all dropped, and more business failures were reported.

A survey by the National Association of Purchasing Management showed that a composite index of purchasing at 250 industrial companies stood at 39.6 percent last month, higher than May's level of 35 percent, but the same as in April. The index, which is seasonally adjusted, indicates the economy is declining if the figure is less than 50 percent.

NEW CAR sales by the three leading U.S. auto manufacturers dropped 17.5 percent in the last 10 days of June, the companies reported.

Meanwhile, despite some signs of a revival in consumer spending, the Commerce Dept. said it expects business capital spending to decline further and slow down the rate of recovery from the nation's eighth post-war recession.

More companies reported worker layoffs. One of the most recent was Republic Steel's announcement of a shutdown of its South Chicago plant and the temporary layoff of 2,000 workers.

Ford Motor Co. scheduled a one-week closing of its operations in Wayne, Mich.; Edison, N.J.; Lorain, Ohio, and San Jose, Calif., that will temporarily idle a total of 8,100 hourly workers. Volkswagen of America, Inc., said it plans a two-week halt in output of cars and light trucks at its New Stanton, Pa., plant.

The Administration expressed cautious optimism that May's slight three-tenths of 1 percent increase in the government's index of leading economic indicators might be a sign of economic recovery, but other developments seemed to refute this.

ANOTHER government report showed sales of new single-family homes up 13.3 percent in May, after plunging 10.4 percent in April, but the new level was still nearly 19 percent below the year-earlier level.

Commerce Dept. chief economist Robert Ortner said future sales "will be on the slow side" because mortgage interest rates have not come down. They are now averaging a prohibitively high 17 percent.

In its report on leading indicators, the Commerce Dept. said five of 10 components that make up the index contributed to the May increase—average workweek, new orders in constant 1972 dollars, building permits, stock prices, and changes in crude materials prices.

FIVE OTHERS registered a negative impact—initial claims for state unemployment insurance, the pace of business deliveries, contracts and orders for new plants and equipment, change in liquid assets, and the money supply in 1972 dollars.

The index—a barometer of the future economic course of the country—had been falling for a year until an eight-tenths of 1 percent rise was recorded a month ago. The government later revised that figure to show a 1.3-percent increase.

The Commerce Dept. also revised its March figure, originally reported as a five-tenths of 1 percent decline, to show an increase of two-tenths of 1 percent. Revisions in the figures as much as several months back are common.

THE IMPACT of the recession was reflected also in the increasing number of business failures, which in the first six months of 1982 exceeded the total for all of 1980.

Dun & Bradstreet Inc. reported that failures for the six months ended July 1 amounted to 11,948, or an average failure rate of 460 a week. This compared with 11,742 failures for all of 1980, when an average 317 concerns a week failed.

In 1981, a total of 17,040 businesses closed their doors for the last time, according to the credit rating service. During the first six months of 1981, 8,235 concerns folded.

Benefits Cut Off For Millions of Slump's Victims

(Continued from Page 1)

Maine and Arkansas were dropped from the extended benefits program on July 3. New Jersey, Massachusetts and Missouri had "triggered off" two weeks earlier. Other states are considered vulnerable.

But that's not all. Additional restrictions imposed by Congress last year will take effect on Sept. 25, 1982, and could rule out extended benefits in all but a handful of states.

The September changes alone will deny extended benefits to an estimated 1.1 million workers whose 26 weeks of regular state benefits will have run out, Gilliam said.

PAST CONGRESSES, under both Democratic and Republican administrations, have provided additional unemployment benefit entitlement during heavy recessions instead of cutting back.

The House Ways & Means Committee has taken a step in that direction by approving a bill by Rep. Harold E. Ford (D-Tenn.) for an additional 13 weeks of extended benefits, and House leaders plan to call it up soon after Congress returns from its recess.

Senate Rejects Assault On Overtime Pay Rule

A labor-opposed attempt to scuttle the eight-hour-day standard for workers employed on government contracts was blocked in the Senate by a 50-45 vote.

Government contractors now must pay overtime rates after eight hours in a day, as is customary under most private industry collective bargaining agreements. But legislation introduced by Sen. William L. Armstrong (R-Colo.) would allow government agencies to drop that requirement for their contractors.

AFL-CIO Legislative Director Ray Denison protested to senators that the effect would be to penalize unionized employers in bidding for federal contracts and to undermine the basic eight-hour standard throughout the economy.

Armstrong's attempt to get his bill attached to a relatively non-conroversial measure dealing wih flexible working hours for federal employees was tabled by the 50-45 vote. But it can still be brought up at a future date and remains a threat.

THE CONCERT HALL was the Cleveland plant of Fabri-Centers of America. Rolls of drapery material were stacked on pallets and the 150 employees, members of Local 48 of the Upholsterers, sat on bales of material for the mid-day performance. The plant's management as well as Local 48 joined with the Cultural Arts Committee of Cleveland's United Labor Agency in sponsoring the program.

Clive Lythgoe, a concert pianist with a commitment to bringing music and art to workers, is shown in the top photo talking to his factory audience of the works he was going to play—by Mozart, Liszt, Gottschalk, Debussy, with a Gershwin encore.

Lythgoe is artist-in-residence and dean of the faculty of the Cleveland Music School Settlement and has been a soloist with the Cleveland orchestra. The performance was filmed for later television showing.

At right, some of the enthusiastic Local 48 members applaud the performance. The Cleveland Plain Dealer's music critic, who reviewed the event, reported that the worker audience proved "the equal of any audience that frequents Cleveland's more conventional concert halls."

And unlike most concert goers, he noted, they applauded "without hesitation at exactly the right moment."

Lower Limits Urged on PAC Contributions

Federal limits on congressional campaign contributions should be tightened rather than loosened, the AFL-CIO urged at House hearings.

Special Counsel Laurence Gold expressed labor's concern that corporations and single-issue groups are tilting the political process by using a fast-growing network of political action committees to expand their influence.

POLITICAL ACTION committees were first set up to allow small contributors to pool their resources to offset the influence of wealthy campaign contributors—as with union members through COPE. But increasingly, Gold noted, PACs set up by corporations, trade associations and professional groups have expanded "the already disproportionate influence" of wealthy contributors.

A House Administration Committee task force is exploring various proposals to change the campaign financing law. Under present law, a candidate for Congress can't receive more than $1,000 from a single individual or more than $5,000 from a single political action committee. But there is no limit on total PAC contributions to a campaign.

In the 1980 elections, Gold noted, PACs sponsored by business and professional groups contributed more than $35 million to congressional candidates—nearly two-thirds of total PAC contributions.

Labor's preferred solution would be public financing of congressional campaigns along the lines of the presidential campaign financing system, Gold testified.

He acknowledged, however, that there is "little chance" that this Congress would approve such a plan. "Short of public financing," he said, the best solution is an overall limit on PAC contributions to a congressional candidate.

GOLD WELCOMED a bill by Representatives Dan Glickman (D-Kan.), Mike Synar (D-Okla.) and Jim Leach (R-Iowa) that would set a $75,000 limit on total PAC contributions to any single House election. But he opposed a provision in the bill that would raise the limit on individual contributions to a candidate from $1,000 to $2,500.

"Wealthy contributors are already playing a disproportionate role in the campaign finance system," Gold said. For the same reason, he testified, the AFL-CIO opposes increasing the present limit on tax credits for political contributions.

D.C. Area Unions to Monitor Telecasts of Religious Right

The AFL-CIO Metropolitan Washington Council announced it will monitor the television broadcasts of the radical religious right in the capital area to determine the fairness of their content on political and economic issues of concern to union members.

Council Chairman Joslyn N. Williams told a news conference at AFL-CIO national headquarters: "We feel a concern that union members may be misled by the one-sided opinions they may hear on these programs. We want to insure that union members are aware of opposing points of view."

THE COUNCIL, which represents 250,000 members in 150 local unions, will begin the monitoring project shortly after Labor Day and continue it through the end of the year. Two independent television channels that carry the programs of religious evangelists who have made one-sided statements are particular targets of the project.

"The so-called Moral Majority has interfered for too long in the internal affairs of our city," Williams said.

AFTER MONITORING the programs, the council will decide whether to file complaints with the Federal Communications Commission for possible violations of the FCC's Fairness Doctrine and to seek equal time to air labor's views.

"We're at a critical period in time," Williams said. "We are coming up close to Election Day. The Moral Majority has made it quite clear that they plan to play a significant role in the elections. We are concerned that the American public should be educated on all the controversial issues." Rev. Jerry Falwell is leader of the Moral Majority.

Williams said one TV channel has already agreed to give the council 30 minutes to express its views on issues raised on the 700 Club, hosted by Pat Robertson. "This is a good beginning," Williams said, "and recognition by the station that it has an obligation to air alternative views on controversial issues."

WILLIAMS stressed that the purpose of the media fairness project is not to impinge on the freedom of speech or opinion of religious broadcasters.

"We are not mounting an anti-religion campaign, although we suspect that our effort may be portrayed as such by the evangelists targeted by our monitoring project," he said.

"Simply stated, we want to assure that these programs carry commentary on economic and political issues, broadcasting stations which carry the programs will provide air time for opposing viewpoints by qualified spokespersons as required by the FCC's Fairness Doctrine."

OTHER AFL-CIO organizations may wish to follow the progress of the project, and perhaps use it as a model to stem the one-sided use of the public airways by the Moral Majority in their locales, Williams said.

The monitoring will be conducted by affiliates of the D.C. Labor Communications Association and People for the American Way, a group of church and lay leaders organized in 1980 by TV-film producer Norman Lear to contend with the "far right."

Arizona Labor Starts Planning For Vote Drive

Prescott, Ariz.—Delegates to the Arizona State AFL-CIO's annual convention concentrated on political action techniques and on ways to improve job safety conditions through collective bargaining in the wake of federal health and safety cutbacks.

The nearly 170 delegates to the two-day meeting took part in a series of COPE workshops on voter registration programs, voting rights of minorities, absentee ballots and state laws on voting.

The state COPE report, made by Sec.-Treas. Darwin Aycock, pointed out that business and conservative organizations outspent unions by a margin of five to one in the 1980 elections, underscoring the need for labor to draw the maximum effectiveness from its greatest asset—people.

IN WORKSHOPS on occupational safety and health, John Lund, health and safety coordinator for the Pacific Northwest Labor College, scored the Reagan Administration's attempt "to take us back to the good old days before OSHA." He urged local unions to bargain for strong contract language on safety and health to offset the cutbacks that he said have made OSHA "a shadow of its former self."

The delegates endorsed Pat Bosch for the 3rd Congressional District seat and Jim McNulty for the 5th District.

The State AFL-CIO executive board will meet in Phoenix on July 16 and a special COPE convention will be held July 17 to formalize endorsements for other state and national offices.

Speakers at the meeting included Bosch and McNulty and former AFL-CIO COPE Director Al Barkan.

Rail Engineers Announce July 11 Strike Deadline

The unaffiliated Locomotive Engineers said it would strike the railroad industry July 11 at 10:30 p.m. (local time) unless President Reagan intervenes and orders a "cooling-off" period.

BLE is one of only two railroad unions yet to settle with the railroads in the current round of talks. The United Transportation Union is the other. Fourteen other unions have reached agreement on new contracts with the National Railway Labor Conference, the industry's bargaining arm.

A WALKOUT by the Engineers would affect all U.S. rail traffic, except Conrail, the quasi-government freight and commuter system in the Northeast, and part of Amtrak, the government-run national passenger service.

Under the Railway Labor Act, the President has the power to order a 60-day "cooling-off" period and appoint a fact-finding board that would report to him with recommendations for a settlement.

In the UTU talks, which are being mediated by the National Mediation Board, the main obstacle is the carriers' demand for national negotiations on what historically have been local work rules.

Fire Fighters Blast Federal Program Cuts

America's high rate of death and property loss due to fire demands a federal commitment to fire prevention and protection, Fire Fighters President John A. Gannon said in recent testimony to a Senate subcommittee.

Gannon was sharply critical of a Reagan Administration plan to abolish the U.S. Fire Administration and many of its fire prevention programs and to scatter its functions among other agencies.

"WITH THE United States continuing to experience one of the highest rates of fire death and property loss among industrial nations, the need for federal focus and assistance remains strong," Gannon said in a statement to the Senate Housing & Urban Development independent agencies subcommittee.

The Fire Administration was established in 1974 at the urging of the union and state and local fire fighting groups. It became part of the Federal Emergency Management Agency in 1978.

Along with the IAFF, the fire chiefs association and other fire prevention and safety groups have challenged the Reagan Administration's contention that the USFA is no longer needed because it has "significantly" met its goals of reducing deaths, fire-related injuries and property losses.

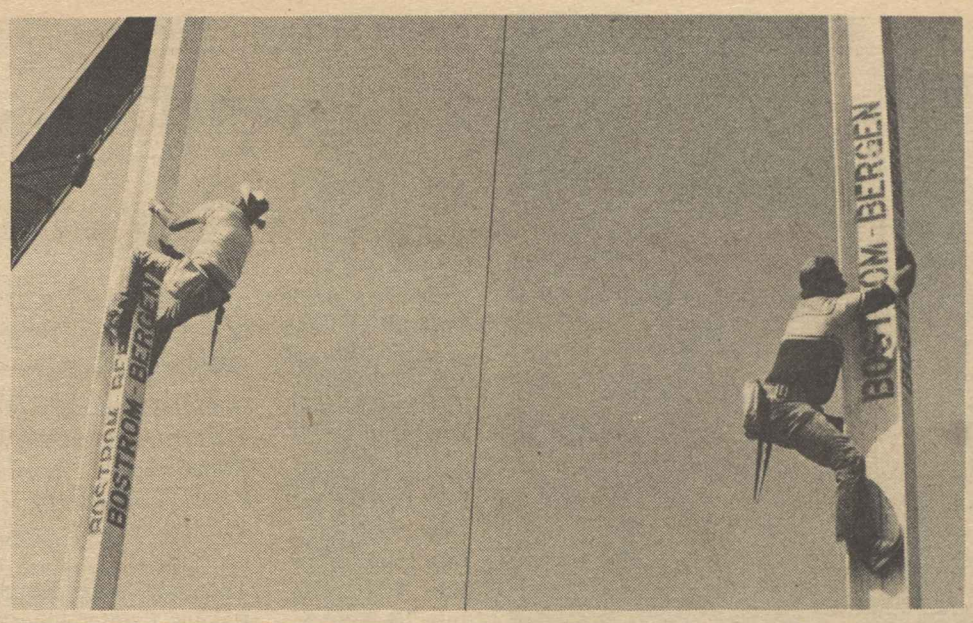
THE AGENCY'S current programs will expire Oct. 1 if Congress does not provide budget money to keep them functioning. Among the USFA's programs are fire education, arson prevention, research and development of fire fighters' equipment, and promotion of the use of smoke detectors and sprinklers.

Gannon urged Congress to support the agency's request for fiscal year 1982 funding, emphasizing that even that budget was "the absolute minimum essential funding level."

He also stressed that the establishment of the National Fire Academy had been a major goal of the union. The academy, which is also part of FEMA, has "presided over significant advances in educating and training fire prevention and fire fighting personnel in the United States," Gannon said.

Gannon specifically called for support of the joint USFA/National Fire Academy Open Learning program that offers fire fighters university-level training in fire science while they remain in their jobs.

In his testimony, Gannon, who is also chairman of the Joint Council of National Fire Service Organizations, outlined the role of the council in the government reorganization program that made the Fire Administration part of FEMA. At that time, he said, fire fighting organizations were promised that the USFA "would not be dismantled."



IRON WORKERS COMPETE at scaling a 45-foot vertical steel beam in one of the strength and skill demonstrations at the first Building Trades Family Jamboree in Santa Clara, Calif. More than 30,000 people attended the event at the county fairgrounds sponsored by area Building & Construction Trades Councils. Other competitions pitted electrical workers, crane operators, carpenters, millwrights, cabinet makers, lathers, cement masons and others. The jamboree included a concert by singer Merle Haggard.

Drozak Protests Evasion Of Cargo Preference Laws

Corrective steps must be taken to stop the illegal abuse of existing cargo preference laws by government agencies before it is too late, Seafarers President Frank Drozak warned Congress.

"Cargo preference programs are one of the last things keeping this industry alive," Drozak testified before the Senate Subcommittee on Merchant Marine.

HE POINTED OUT that the maritime policy of the United States, stated in the Merchant Marine Act of 1936 and reaffirmed in the Cargo Preference Act of 1954, mandates that 50 percent of government-generated cargoes be carried by U.S.-flag vessels. But violations of the law continue, he said.

Drozak outlined a program to stop noncompliance with these laws. First, he said, the President should issue an Executive Order directing all agencies to comply with the letter and intent of cargo preference laws. Second, the Merchant Marine Act should be amended to clarify the types of programs covered by cargo preference to make it more difficult for agencies to use loopholes to evade the intent of the law. And, third, the Maritime Administration should be given the authority and the manpower to oversee compliance.

DROZAK, WHO is president of the AFL-CIO Maritime Trades Dept., told another congressional unit that the commercial side of the nation's shipbuilding base is being allowed to die while the Navy is being built up.

"This Administration is killing the construction differential subsidy program, has cut back on the Title XI Loan Guarantee Program, and wants to make foreign commercial building and repair work a permanent fact of life. MTD does not see how this adds up to anything other than the death of the commercial shipbuilding and supporting industries," he told a House Merchant Marine & Fisheries subcommittee.

In a series of other congressional appearances, Drozak addressed a number of maritime issues:

- Waivers or amendments to the Nicholson Act, which forbids foreign-flag vessels from unloading their seafood catches in the United States, would cost American jobs. The SIU will oppose any State Dept. actions to permit such waivers, he said.
- The SIU endorses legislation to allow gambling on U.S.-flag passenger vessels. The legislation would require that 10 percent of the gross be deposited in a special fund to be used in building new passenger vessels, constructed and documented in the United States.
- Future shipments of strategic minerals should be planned in advance by the government to allow U.S.-flag ships ample opportunity to qualify for carrying such cargo. Drozak scored the General Services Administration for a recent shipment of Jamaican bauxite for the U.S. strategic minerals stockpile.

DROZAK ALSO released a letter to the MTD's executive board in which he questioned and reviewed the Administration's proposed national maritime policy.

"The initial proposals clearly lack the one basic element on which the ability of American shipping to expand its role depends—cargo," he wrote. "Any maritime program which dismisses or ignores this crucial element cannot succeed."

Sweatshop Crackdown Fizzles Out

New York—Instead of beefing up its raids on sweatshops as Labor Sec. Raymond Donovan promised, the Reagan Administration has been cutting back on the number of investigations of wage-hour violations, a new Ladies' Garment Workers study charged.

As a result of budget reductions, the Reagan Administration has conducted far fewer inspections than the Carter Administration, the union observed.

"Sweatshops are flourishing more than ever," the ILGWU reported. "If the Administration fought the Cold War the way it fights its war against sweatshops, the Russians would be in Chicago."

Under President Carter in 1979, the Dept. of Labor made 75,153 labor standards investigations around the country, checking to see whether wage and hour regulations were being upheld, the ILGWU noted. In 1980, the Carter Administration's last year, the number rose to 76,377.

But in 1981, the first full year of the Reagan Administration, the number of Labor Dept. investigations dropped to 69,228, a decline of almost 10 percent. The number this year is expected to fall still further to about 63,000, a decline of more than 20 percent over the last Carter year.

Of the 69,228 investigations conducted last year, only 888—1.3 percent—involved men's, women's, and children's apparel, the study pointed out. Of these 888, only 382 found evidence of wage-hour violations—only 43 percent of all investigations.

By contrast, the California Division of Labor Standards Enforcement inspects about 925 apparel shops each year in the Los Angeles area alone, the ILGWU noted, and three-fourths of the shops are found to be violating the state labor laws, which are similar to the federal laws. Even more, 93 percent of the shops, were found to be violating laws on record-keeping.

The ILGWU said the Labor Dept.'s record is especially poor in the New York area where it conducted only 324 investigations in the apparel industry in 1981 and found violations in only 76 cases. Only five New York contractors were taken to court by the Labor Dept. in all of 1981, the union said. The rest of the cases were settled out of court.

Copyright Act Rule Cleared By Congress

Congress has sent to President Reagan a labor-supported bill that would continue the domestic manufacturing clause of the Copyright Act for an additional four years —and avoid the loss of several hundred thousand printing-related jobs.

It would preserve a requirement that has been part of the law since 1890, that books written in English by authors living in the United States must be printed and bound in the United States or Canada in order to receive full copyright protection.

The Administration has opposed continuation of the requirement, but bipartisan sponsors of the legislation expressed the hope that the President will sign the four-year extension to avoid a new wave of job destruction in the midst of recession.

Labor Dept. studies estimate that a flight of publishers to low-wage printing facilities in Asia would wipe out from 78,000 to 172,000 printing trade jobs, with at least as many more jobs lost in related fields such as papermaking.

The bill had passed the House 339-44 and the Senate approved it by voice vote before it began its holiday-period recess. The Senate adopted the House-passed four-year extension to avoid further delay, setting aside its own bill to make the manufacturing clause permanent.

Court Rules Firm Must Live Up to Neutrality Pledge

Cincinnati—The 6th Circuit U.S. Court of Appeals upheld a lower court injunction enforcing a management pledge of neutrality during a union organizing drive.

The court, with one judge dissenting, ruled that the injunction was called for because of irreparable injury suffered two years ago by the Auto Workers in efforts to organize a Gastonia, N.C., plant of the Wix Corp., a wholly-owned subsidiary of the Dana Corp.

IN JUNE 1980, a federal judge in Toledo, Ohio, ruled that Wix must live up to the pledge in a letter by Dana's corporate director of industrial relations to "communicate with our employees, not in an anti-UAW manner, but in a positive pro-Dana manner" during the organizing campaign.

The election was scheduled for June 12, 1980, but the UAW withdrew its representation petition in the aftermath of management's anti-union activity. The lower court imposed a contempt citation against Dana after Wix President Benny Hoyle denounced the union in captive audience speeches, declaring that unions "were no better than communists," particularly the UAW.

Writing for the court, Judge Anna Diggs Taylor concluded that even without the neutrality pledge, the remarks by Hoyle constituted thinly veiled threats that violated federal labor laws and therefore were not within the scope of any First Amendment privilege as claimed by the employer.

Neutrality pledges were signed by Dana beginning in October 1976. Various supplements to the union's master contract with the firm also included the pledge. The 1979 letter stated in part:

"WE HAVE NO objection to the UAW becoming the bargaining representative of our people as a result of . . . (a representation) election. Where the UAW becomes involved in organizing our employees, we intend to continue our commitment of maintaining a neutral position on this matter."

Judge Boyce Martin's dissent to the appeals court's finding asserted that the injunction enforcing the neutrality pledge was an unconstitutional prior restraint. He said the pledge was vague because the term "neutral" was not defined and because management retained the right to take a "pro-Dana" stance.

NEW YORK RALLY FOR JOBS drew over 3,000 union members to the state capitol grounds despite a drenching rain for a demonstration organized by the New York State AFL-CIO to remind state officials of workers' growing concerns over high unemployment and other economic and social issues, including jobs lost to unfair competition from imports.

3,000 New York Unionists Mount Jobs Rally in Albany

Albany, N.Y.—A "rally for jobs" organized by the New York State AFL-CIO drew more than 3,000 union members to the state capitol "to collectively express their opinions on the economy, jobs, social insurance benefits and other issues that affect workers," as State federation President Raymond R. Corbett put it.

The rally was held during the final week of the legislature's 1982 session to dramatize for state officials the effects of high unemployment in New York and the nation.

AMONG THE issues the demonstrators spoke out on was the decision by the New York City Metropolitan Transit Authority to award contracts for new subway cars to foreign firms.

AFL-CIO Sec.-Treas. Thomas R. Donahue declared in the keynote speech that the Reagan Administration is not moving the country ahead, but backward, by "using the same Republican policies that brought about the Great Depression of the 1930s."

The Administration claims that it is "the very programs that saved the American people from complete despair and destitution," put in place by the Roosevelt Administration, that are causing the nation's current problems, Donahue observed.

HE SAID the Reagan Administration is promising that "prosperity is just around the corner" provided the nation stops spending for public health, education, housing and jobs as well as social security and unemployment compensation and gets rid of "all the programs that elevate the quality of life for plain people."

The point of Reagan's tax cuts for the rich, his "new federalism" plan and his industrial policy is to "concentrate all of the country's physical and financial assets in the hands of the smallest number of corporations. Then we'll have the kind of country that Ronald Reagan and his supporters want us to have," Donahue said.

He charged that the "tax gimmicks and trade concessions that make it so much more profitable to close plants here and open new ones overseas and to sell out American workers and import the products of others" are a result of "naked greed on the part of American corporate leaders, investors and bankers."

THE AFL-CIO has for 20 years been "a voice crying in the wilderness" in urging Congress to enact fair and "even-handed" trade laws and to demand fair treatment from other countries, Donahue said.

Corbett told the demonstrators that if all the jobless workers in New York stood in one unemployment line "it would stretch more than 400 miles."

"Organized labor in New York State is angry," he said, "and the unemployment situation must not be tolerated by government leaders."

Other speakers at the rally included Transport Workers President William G. Lindner, Sheet Metal Workers President Edward J. Carlough, AFL-CIO Region VII Director Michael Mann, President Harry Van Arsdale of the New York City Central Labor Council, and Ed Cleary, secretary-treasurer of the New York state Building & Construction Trades Council.

Ben Stahl Retires From HRDI Post

Ben Stahl, regional director for the AFL-CIO Human Resources Development Intitute in Philadelphia, has retired after nearly 40 years of close association with the labor movement.

Stahl, a long-time member of the Teachers, served on the field staff of the CIO and the AFL-CIO from 1943 to 1969, with a four-year interlude on the staff of the Jewish Labor Committee in Philadelphia. He became one of HRDI's first staff members in 1969.

HRDI President Alan Kistler and Executive Director Michael M. Arnold said Stahl played a key role in developing labor involvement in employment and training programs for the jobless and disadvantaged.

Remainder of 1982

Conventions Scheduled By Federation Affiliates

Below is a list of conventions scheduled for the remainder of 1982 by AFL-CIO national affiliates and state central bodies. Changes and additions will be reported.

DATE	ORGANIZATION	PLACE
July 12-16	Communications Workers	Detroit
July 12-16	Maintenance of Way Employes	Vancouver, B.C.
July 14-16	Indiana	Indianapolis
July 15-21	Police Associations	Las Vegas, Nev.
July 19-22	Yardmasters	Denver
July 19-22	California	Anaheim
July 26	Theatrical Stage Employes	Winnipeg, Man.
July 28-Aug. 3	Bakery, Confectionery & Tobacco Workers	Hollywood, Fla.
Aug. 2-6	Fire Fighters	Chicago
Aug. 2-6	Typographical Union	Seattle
Aug. 9-13	Professional & Technical Engineers	Seattle
Aug. 9-13	United Garment Workers	Atlantic City, N.J.
Aug. 10-12	School Administrators	Kiamesha Lake, N.Y.
Aug. 16-21	Letter Carriers	San Francisco
Aug. 18-20	Iowa	Waterloo
Aug. 19-21	Montana	Helena
Aug. 23	Asbestos Workers	Las Vegas, Nev.
Aug. 23-26	Marble Polishers	Las Vegas, Nev.
Aug. 23-27	Railroad Signalmen	San Francisco
Aug. 23-27	Postal Workers	Miami Beach, Fla.
Aug. 23-27	Government Employees	New York
Aug. 23-27	Washington	Spokane
Aug. 26-28	Virginia	Roanoke
Aug. 30-Sept. 2	New York	Kiamesha Lake
Aug. 30-Sept. 4	Sheet Metal Workers	New York
Sept. 13	International Brotherhood of Electrical Workers	Los Angeles
Sept. 13-16	Florida	Orlando
Sept. 17-18	North Carolina	Charlotte
Sept. 17-18	Nevada	Las Vegas
Sept. 17-19	New Hampshire	Bedford
Sept. 20	Alaska	Ketchikan
Sept. 20-24	Minnesota	Duluth
Sept. 20-24	Electrical, Radio & Machine Workers	New York
Sept. 20-24	Steelworkers	Atlantic City, N.J.
Sept. 22-24	Connecticut	Hartford
Sept. 24-25	Wyoming	Cheyenne
Sept. 24-26	Vermont	Burlington
Sept. 27-29	Missouri	St. Louis
Sept. 29-Oct. 1	Utah	Salt Lake City
Oct. 4-7	Illinois	Springfield
Oct. 11-14	Wisconsin	La Crosse
Oct. 11-15	Broadcast Employees & Technicians	Toronto
Oct. 12-21	Marine & Shipbuilding Workers	Kissimmee, Fla.
Oct. 17-23	Chemical Workers	Las Vegas, Nev.
Oct. 18-22	Cement, Lime & Gypsum Workers	Minneapolis
Oct. 20-22	Georgia	Augusta
Nov. 8-14	Air Line Pilots	Bal Harbour, Fla.
Nov. 11-13	South Carolina	Myrtle Beach
Nov. 15-18	Flight Engineers	New Orleans

Religion-Labor Parley Shapes Strategies

Milwaukee—The third national Religion & Labor Conference brought together more than 200 representatives of labor, religious, community and women's organizations to discuss cooperative strategies for dealing with critical social issues.

The conference was sponsored by the National Religion & Labor Conference, Inc., an organization formed to help local religious and labor coalitions in efforts to bring about social and economic justice through institutional and political change.

THE NRLC IS chaired by Msgr. George Higgins of Catholic University and Alan Kistler, AFL-CIO director of Organization & Field Services. John H. Dunne, secretary-treasurer of the Professional & Technical Engineers, holds the same post with the NRLC.

AFL-CIO Sec.-Treas. Thomas R. Donahue, a director of the NRLC, said that organized labor and the churches are the country's "two greatest forces for social justice" and "reinforce one another's individual and common interests."

Donahue stressed that no one is exempt from the duty "to enlarge the dimensions of justice and mercy in the world." He pointed out that over the last century many church teachings about social justice "have been achieved through collective bargaining and legislative activity, and over the same span the American labor movement has been at the center of the struggle."

DONAHUE denounced "those who are able somehow to discern their own programs and goals as the true expression of God's will, while dismissing all others as mere 'secular humanism.' "

He pointed to the inseparable blending of "the immediate human values" such as those defended by the Polish workers federation, Solidarity, with "the timeless, universal values" of the Catholic Church in Poland "in common cause against the monolithic, all-powerful state."

In this country, Donahue said, "I am unable to see that to deny aid and compassion to those in need is the work of the Lord. If government is to have no place in feeding the hungry, housing the homeless or healing the sick; if government has no business to protect the weak from the strong, and no mandate to promote human development through education and training for useful work, then government is reduced to no more than Pontius Pilate, washing his hands of the whole human enterprise."

THE ROLE OF government and of all human institutions needs to be reconsidered, he asserted, "in the light of what contributions they can make to the advancement of justice and mercy in the world."

The conference theme, "Coalitions for Today's Challenges," included discussions of the economy, jobs and technology, politics and political action, organizing in the 1980's and local coalition building.

Workshops covered ways the religious and labor communities can respond cooperatively to issues such as plant closings, jobs lost to new technology, organization of women and minorities as well as of religious institutions, organizing in "right to work" states, the problems of the Reagan Recession, expanding economic democracy, union-busting, and worker plant ownership.

OTHER SPEAKERS at the three-day conference included, from labor, President Frederick O'Neal of the Actors & Artistes, Service Employees President John J. Sweeney, Barbara Hutchinson, director of the women's department of the Government Employees, AFL-CIO Region III Director Walter Waddy, and William Kircher, assistant to the president of the Hotel & Restaurant Employees.

Speakers from the religious community included Sister Carol Coston, director of Network; Rabbi Robert Marx, Temple Solel, Chicago; Rev. Richard Poethig, director of the Institute on the Church in Urban-Industrial Society, Milwaukee; Dr. John Rains, Temple University, and Rev. Jim Sessions, executive director of the Commission on Religion in Appalachia.

Time Running Out

THE WINDUP of the 97th Congress is not many weeks away, and one can at least hope that a significant number of our congressmen and senators realize that they are in poor shape to face the voters. Not even the most passionate Reaganite can find much to point to with pride.

Some House and Senate members clearly have a valid claim to the continued support of working Americans—and those who would be working if jobs were available. But the 97th Congress as a whole rubber-stamped the Reagan Administration's program last year, and must share responsibility for the outcome. And this year, its record to date has been only marginally better.

There are two courses that mainstream Republicans and those Democrats who bowed to what they took to be the political winds of conservatism can take at this late juncture.

They can follow Mr. Reagan's example and blame the recession and its hardships on "misguided" policies of previous administrations. Or they can look at their districts, listen to their constituents, admit that the economy is in sorry shape and that people are hurting—and try to do something about it.

THEY CAN recognize that 9.5-percent unemployment means that the only recourse for millions whose benefits have run out is public welfare—unless Congress undoes some of the damage it inflicted on the unemployment compensation program last year and adds additional weeks of entitlement.

They can use funds that would be available from imposing some reasonable ceilings on the income tax windfall for the wealthy to provide somewhat more adequately for those the President once spoke of as the "truly needy." There are a lot more of them now.

And Congress can avoid getting distracted, in the weeks left to deal with the nation's concerns, by such obvious nonsense as the proposed balanced budget constitutional amendment. Time is running out.

Lower Interest for Whom?

REPETITION DOESN'T make misstatements of facts true, but there is always the risk that people hearing President Reagan's repeated claim that interest rates have fallen since he took office will assume that must be the case.

To set the record straight, Americans buying new homes must pay substantially higher mortgage rates than was the case before the Reagan Administration—a jump from slightly over 13 percent to close to 17 percent or higher.

There have been comparable increases in interest rates for tax-exempt municipal bonds and for bonds issued by top-rated corporations.

There have been a few interest rate indicators that have gone down, but you have to look hard for them. Thus, three-month Treasury bills do indeed carry a lower interest rate, but the interest on both three-year and ten-year Treasury bonds is very substantially higher.

But very few workers are buying Treasury bonds these days, and with mortgage rates at prohibitively high levels, fewer and fewer are able to buy new homes.

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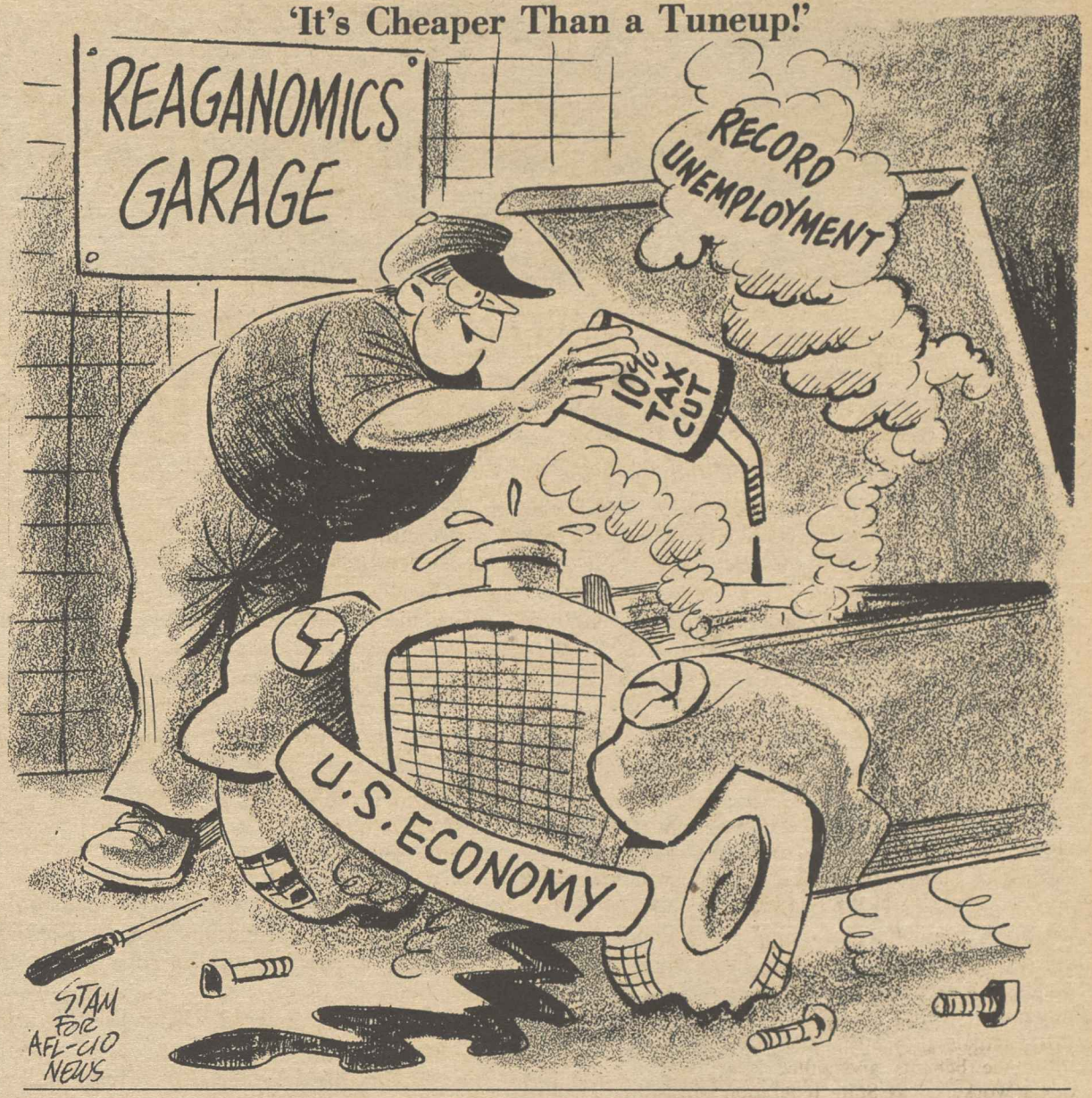
'It's Cheaper Than a Tuneup!'



Attitudes Need Reshaping

Minority Representation Plans Mired in Mathematical Mess

By Gus Tyler

IF A MINORITY—called Xites—make up one-tenth of a state's population, are they entitled to get one-tenth of the seats in a state legislature, or one-tenth of that state's congressional delegation?

At present, official sentiment says, yes. At least, that is what New York State has been trying to accomplish by designing legislative districts that will give blacks and Hispanics representation in Albany and Washington that is in accord with their population strength in the state.

AFTER LABORING long over how to accomplish this, the state was informed by the U.S. Dept. of Justice that its plan discriminated against blacks and Hispanics in several of the city's counties. The districting was declared invalid, and the state will have to start all over again.

But no matter what the state does, it will not succeed because it is posed with an impossible arithmetic problem.

For the state to make certain that a black representative is elected, it must carve out a district that is predominantly black. Otherwise, the blacks might not elect one of that race even if they were 50- or 55-percent of the district population. So the state carves out a district that is 65-percent black.

BUT, ARGUE BLACK and other minorities, it is not sufficient that a district be made up of two-thirds minority constituents. Because a high percentage in such minority populations does not vote, it is necessary to map a district that is 80 percent minority.

But, by overconcentrating blacks in one such district, there are obviously fewer blacks who can vote in another district. So instead of four districts—let's say—with 65-percent black population, there are only two districts, each with 80-percent or more black population.

So, in the process of guaranteeing black representation, the total representation is automatically reduced and the final count does not reflect the minority population in the state.

TO MAKE matters a bit more complex, to guarantee the representation of one minority it often becomes necessary to curb the representation of another. Thus, in Brooklyn, the Justice Dept. found that to create a safe Hispanic district, it was necessary to construct an unsafe black district.

If the problem appears to be beyond solution today, what would happen if racial and ethnic integration were ever to take place? Under such a circumstance, in the absence of black ghettos and Hispanic barrios, it would be virtually impossible to design any district in which the ultimate demographic result would be predictable.

PERHAPS THE only long-range answer is—Tom Bradley. Here is a black, who lives in a city with a clear minority of blacks, who runs for mayor and gets elected because the voters believe he is a good man.

Perhaps the question is less how to shape districts than how to shape ideas, less a matter of arithmetic than of attitudes.

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Reagan's Charm Lost On Recession Victims

Perhaps the President believes that even in 1984 there will still be enough people . . . who, out of ingrained ideology, will carry him to re-election.

More likely, Reagan believes, or simply hopes, that there will be a strong recovery from this devastating recession and that . . . the voters will say, "You were right. Give us four more years."

The automobile, housing, steel, savings bank and other industries in America may never regain the vibrance or dominance of bygone eras, so millions of Americans who have lost jobs, homes, spouses and hope during this supply-side flirtation will carry painful scars for the rest of their lives.

Does Ronald Reagan really believe that they will forgive and forget to the extent that in 1984 he can turn on his TV charm and convince them that he did them a favor?

I don't think he can fool enough of these victims of Reaganomics enough of the time.

—From column by Carl T. Rowan in the Washington Post, July 7, 1982.

MEMO FROM COPE

That Phantom Democratic Majority

The House: Turning Illusion into Reality?

Give or take two seats at different times due to deaths or resignations, Democrats have held a 49-seat margin—242-193—over Republicans in the U.S. House in the present Congress

That's a huge bulge.

Now, presto, watch it disappear before your very eyes. Take 35 away from the Democratic total of 242. You get 207. Next, add 35 to the GOP total of 193. You get 228.

The Democratic 49-seat bulge converts to a GOP advantage of 21 votes (though not seats).

Was the figure 35 pulled out of a hat? Not at all. It's the average vote provided major Reagan-Republican economic proposals from the ranks of the 45 so-called "Boll Weevils," a platoon of conservative Democrats mostly from the South and Sun Belt.

There is no fully offsetting group among Republicans. There are the so-called "Gypsy Moths," moderate GOP House members from the Northeast and Midwest, about enough of them to field a football team.

They stuck with President Reagan on the first round of his economic program and got stuck by it. Their districts are among the most hard-hit by unemployment. In the second round, this year, some of them jumped ship, but not enough of them to stave off another recession-deepening dose of Reaganomics or to counterbalance "Boll Weevil" support for the Reagan program.

So, the "Boll Weevil" Republicans-in-Democratic clothing make the Democratic margin on paper a mirage in practice. Most of them occupy safe seats (though one of the two northern members, Rep. Ron Mottl of Cleveland, was defeated for renomination in his recent primary). That means the "Boll Weevils" will be largely intact when the dust settles after election day, November 2.

If a real, as opposed to merely apparent, Democratic House majority is to emerge from November 2 voting, it's going to have to come mostly from two sources:

1. Districts presently held by first-term GOP members;

2. New districts created as a result of population shifts reflected in the 1980 Census.

The freshmen Republicans are the soft underbelly of GOP ideological control of the House. There are 54 of them (52 from the 1980 elections, two more from special elections since). Many represent districts that were traditionally Democratic. They came in with the 1980 Reagan tide.

Many others represent districts that were once hidebound GOP—but went Democratic in the post-Watergate 1974-76 elections. Voters in these districts learned that the world kept spinning on its axis even with a Democrat representing them, and a lot of them might not like the economic results of two years of GOP leadership.

Even under the favorable political circumstances (for them) of 1980, most of them won by skinny enough margins to be considered vulnerable this year. Of the 54, 18 won with less than 52 percent of the vote. Only seven exceeded 55 percent.

The surprise sources of possible Democratic gains are the new seats created as a result of the Census. They are mostly in the South and Sun Belt. There are 17 of them, and all but one was shifted out of northeast and midwest industrial centers.

They are surprising because initially they were expected to provide a windfall for the GOP. In fact, GOP leaders were licking their chops, anticipating at least a 10-seat gain from these new districts, and this gain was to be the springboard to GOP numerical control of the House.

It now appears Democrats will win more of these new seats than the GOP. And in the rest of the states where serious remapping of district lines occurred, favorable court decisions plus some clever gerrymandering (the GOP did its share, too—it's a two-edged sword) left Democrats in a strong overall position.

Even if Democrats pick up seats through redistricting, the big gains can only come through denting the GOP freshmen. The importance of doing this comes through clearly from figures on the aggregate voting record of GOP first-termers.

According to the official AFL-CIO scorecard for the 1981 session of Congress, among them the GOP freshmen cast 132 "right" votes, 646 "wrong" votes, a voting performance 83 percent "wrong."

A cutback in strength of this group of down-the-line Reaganomics loyalists is the shortest route to a real, as opposed to illusory, Democratic majority in the House.

Party With a Heart

"This recession has been a beneficial thing and a cleansing thing for this society . . . (it) is a cleansing tonic."

—Richard M. DeVos, Finance Chairman Nat'l GOP Committee, NY Times 6/18/82

* * *

. . . Especially for Unions

Unions are a "negative wind."

—Same as above

* * *

. . . Especially in Dallas

"The Republican National Committee, after being promised a warm welcome and non-union labor in Dallas, voted unanimously today to hold its 1984 presidential nominating convention there . . ."

—NY Times 6/18/82

Conservative PACs—Enough Hard Cash To Put All They Want Where They Want

No doubt you've been sitting around wondering how the corporate, trade association and right-wing political committees are doing in their fund-raising. They're doing just fine, thank you.

The Federal Elections Commission reports that from Jan. 1, 1981, through March of this year, more than 3,300 PACs have collected an aggregate exceeding $109 million. Better than 85 percent of this cash belongs to PACs which contribute overwhelmingly to conservative and right-wing candidates. They're on a hot roll. They will have enough money to put *all* they want *where* they want.

So-called "new right" PACs alone amassed nearly $34 million through March, topped by the $6.7 million that flowed in to the Congressional Club, controlled by Sen. Jesse Helms (N.C.). Another $5.8 million was collected by the National Conservative PAC, which waged successful negative "independent expenditures" campaigns against several pro-people Senators in 1980 and is at it again now.

NCPAC has targeted some of the best friends workers and unions have in the U.S. Senate for the treatment: Paul Sarbanes (Md.), George Mitchell (Maine), Don Riegle (Mich.), Quentin Burdick (N.D.), others. Under the "independent expenditures" cover, election law allows a PAC with no ties to party or candidate to spend as much as it can and say whatever it pleases about a candidate as long as it doesn't openly ask for votes for his/her opponent. NCPAC used the device effectively in the past three elections.

The amount of money collected by all PACs through March ran 52 percent higher than for the same period in the 1979-80 election cycle, and it foretells almost undreamed of sums before this 1981-82 cycle is over next December 31. The really big money hasn't even begun to show up yet, and the possibility is that $109 million will be more than doubled by the time voters head for the polls.

Most of the funds collected by corporation and trade group PACs are earmarked for a holding operation. Big donors to many of the conservatives elected for the first time in 1980, they want to keep these newcomers in office, and to shore up other conservative and ultra-conservative incumbents.

The feisty right-wing PACs, however, are gunning for new gains in the House and Senate and will provide fat funding for rightist challengers.

So far, the big-money PACs from the business and trade group world are—again as of March—the American Medical Association, $1,842,026; Realtors, $1,570,158; Auto Dealers, $752,373; Home-Builders, $705,941.

Odds 'n Ends

TRIMMING SAILS AGAIN, a Reagan Administration spokesperson—Budget Director David Stockman—now says July 1 tax reduction isn't going to lead to stronger economic growth in any big hurry. What was going to have an immediate effect (that's what the Administration promised when the tax cuts were enacted—the mere anticipation of them, with budget cuts, would send the economy into orbit) now will "contribute to growth over time," Stockman says in a masterpiece of gobbledygook, providing a "long-term change in the economy's incentive structure."

LOSS OF ERA might have spin-off results President Reagan—who opposed Equal Rights Amendment—and other ultra-conservatives never anticipated. Many women's groups that fought for ERA now look to electoral politics to advance women's issues outside of the context of the amendment. They're collecting large sums of money for political action. This, together with news that recent polls show women turning away from Reagan-conservative program on key issues in far higher percentages than men, could spell trouble for rightists in November. Recent poll found 52 percent of women disapproved of Reagan's performance in office, while 40 percent approved. Figures for men were the opposite, 52-42 approval rating. What gives the women's percentage added wallop is the fact that there are more women eligible to vote than men.

TALK ABOUT PLOYS, a mailing signed by Moral Majority leader Rev. Jerry Falwell begs for funds from supporters, because without them, Falwell warns, "I have been advised to disband Moral Majority." False alarm, says MM's second in command, administrative vice president Ronald Godwin. When asked about disbanding, Godwin said, "Don't hold your breath. . . . That's a letter to get our people's attention."

NOT CRYING POOR are Republican campaign committees. One of three such groups, the GOP Senate Campaign Committee is earmarking $781,000 for its candidate for the Senate in Texas. That's almost half of the entire Democratic Senate Campaign Committee fund.

AFL-CIO News

Vol. XXVII — Saturday, July 17, 1982 — No. 28

LEGISLATIVE ALERT! PAGE 8

OSHA Scored For Retreat on Access to Data

By John R. Oravec

The federal job safety agency wants to sharply curtail worker and union access to toxic exposure data and medical records kept by employers, the AFL-CIO charged.

The Occupational Safety & Health Administration's proposed changes in the 1980 access standard would lop off coverage for about 11 million workers and slash by 90 percent the list of hazardous substances on which companies are required to maintain exposure records.

AFL-CIO Occupational Safety Director George H. R. Taylor characterized the Reagan Administration proposal as "yet another of the seemingly endless actions to weaken safety and health protections."

Taylor stressed that "no documentation or factual evidence supports the proposed amendments which would limit the scope of coverage, cut back records retention requirements and, for all practical purposes, eliminate access rights for short-term employees."

But in announcing the proposal, OSHA Administrator Thorne G. Auchter termed it an effort to "streamline" record-keeping requirements for employers.

"THE COMPLEXITY and burden of the present requirements discourage employers from creating records which would then be subject to the standard," he said.

The revisions would reduce the number of workers covered by the access rule from the current 28 million to about 17 million, an OSHA representative said, noting that the change would largely affect white-collar workers not regularly exposed to hazardous substances.

Labor's concerns focus on four areas of the OSHA proposal, Taylor said. They are:

- Changing the definition of a "toxic substance," which narrows the scope of covered chemicals from nearly 40,000 to 3,500. This means that employers would no longer have to keep exposure records on 90 percent of the chemicals now on the toxic substance list.
- Reducing the time employers are required to retain exposure and medical records, particularly for short-term workers who are employed less than a year. This change would affect workers employed by subcontractors in operations such as hazardous waste containment, building demolition or removal of asbestos materials.

The proposal also would shorten the time span for retention of records for long-term employees, currently the duration of employment plus 30 years.

- Permitting employers to withhold the identity of certain chemicals they deem a trade secret. The current standard requires employers to release information on chemical identity even if it is a trade secret.
- Soliciting comments on whether a union's automatic access to exposure records should be continued, contending that since this right was recently upheld by the National Labor Relations Board, it therefore does not have to be spelled out.

OSHA has scheduled a public hearing on the proposed changes for Oct. 5 and will accept comments until Sept. 14. The existing standard will remain in effect until the changes are made final, OSHA said.

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7/17/82

Congress Crushes Veto, Extends Copyright Law

AUTO WORKERS President Douglas Fraser kicks off petition drive aimed at demonstrating to Congress the depth of public support for a bill to require that all cars sold in the United States have substantial domestic parts and labor content. Fraser launched the campaign at a news conference at Washington National Airport. Signatures will be gathered by the union in airports, shopping centers and on unemployment lines in other cities including Baltimore, Detroit, Atlanta, Chicago and Los Angeles. With Fraser are UAW Community Action Program Director Henry Lacayo, left, and a UAW member. **(Story, Page 3.)**

Job-Saving Bill Rebuff To Reagan

By David L. Perlman

Congress rebelled against the further destruction of American jobs and for the first time overrode a veto by President Reagan.

A 324-86 vote in the House and an 84-9 vote in the Senate saved the manufacturing clause of the Copyright Act, which requires that most books by Americans and other printed material be produced in the United States or Canada to enjoy full copyright protection.

IF THE President's veto had been sustained, hundreds of thousands of U.S. jobs would have been wiped out by the shifting of printing to low-wage countries of Asia. The Labor Dept. last year estimated that as many as 367,000 jobs would be wiped out, including jobs in paper mills and other printing-related industries.

The domestic manufacturing requirement, which has been part of the law since the year 1891, was scheduled to expire this month, and Congress approved a compromise bill extending it for another four years, until July 1986.

Reagan vetoed the measure with the explanation that "my Administration has placed a very high priority on strengthening free trade" and America's "trading partners objected to the manufacturing clause."

THE AFL-CIO responded that "America's workers object even more strenuously to the loss of their jobs," and Legislative Director Ray Denison called on Congress "to stand up to its convictions and make sure the bill becomes law. To allow the veto to stand would be sharing responsibility for job destruction," he warned.

Before the vote, the AFL-CIO wrote members of Congress of labor's concern at the ripple effect of the job losses on top of already severe unemployment.

(Continued on Page 5)

Labor Cites Peril to Economy

Opponents Rally to Fight Balanced Budget Plank

Political sparks began to fly in the continuing Senate debate over a proposed constitutional amendment to compel a balanced budget and set a ceiling on tax revenue.

Some came from the White House, where President Reagan told a Rose Garden gathering that the constitutional amendment is needed to stop the government from "squandering and overtaxing." Ironically, as critics were quick to point out, Reagan just a few months ago asked Congress to adopt a budget containing a record $100 billion deficit.

AND SOME CAME from House Speaker Thomas P. O'Neill, Jr., who warned senators not to count on the House to block approval. His warning was aimed at senators who say privately the proposed amendment is unworkable and unwise. But they don't want to rile the single-issue groups that have pushed calls for the constitutional amendment through 31 state legislatures.

Voting for such an amendment is "cowardly," O'Neill said. He warned that if the Senate does so, "I don't think we could keep it off the floor of the House."

Only a handful of senators had been on the floor during most of the debate, but there were signs that the dangers of such an amendment were starting to arouse national concern. Sen. Patrick J. Leahy (D-Vt.) introduced into the debate a statement by 80 prominent economists, including Nobel Prize winners. They noted that they hold "a variety of views regarding national economic policies" but "we are unanimous in our conviction that such an amendment is not in the national interest."

Labor sounded an early warning about the hazards of the proposed amendment, and AFL-CIO President Lane Kirkland protested against "shackling the Constitution to prevent the nation from dealing with unemployment."

Kirkland's warning that a balanced budget in the current economic atmosphere "would bring on a new Great Depression" found support in a study released by the State, County & Municipal Employees on the eve of the Senate debate.

(Continued on Page 6)

Labor Asks Court to Bar Rules Gutting Davis-Bacon

Building trades unions and the AFL-CIO have asked a federal court to stop the Labor Dept. from putting into effect on July 27 changes in Davis-Bacon Act regulations that would destroy prevailing wage protections.

One motion filed with U.S. District Judge Harold H. Greene seeks a summary judgment upholding on its merits labor's complaint that the new Davis-Bacon Act regulations should be invalidated because they are clearly contrary to the intent of the law.

A COMPANION motion asks the court to issue a preliminary injunction preventing the regulations from going into effect until the case has been decided on its merits.

A 12-page affidavit from President Robert A. Georgine of the AFL-CIO Building & Construction Trades Dept. backs up labor's contention that the regulations promulgated by Labor Sec. Raymond J. Donovan add up to repealing the Davis-Bacon Act and related laws "without a vote" of Congress.

It relates the concern of Congress that federal construction contracts not be a vehicle for undercutting local wage and benefit standards based on "the special characteristics" of the industry.

GEORGINE NOTES in his affidavit that "firms are constantly being formed and dissolved," requiring little capital investment since most necessary equipment can be leased. Workers generally are hired "only for the duration of a particular job" and the industry is "plagued by persistently high unemployment."

(Continued on Page 3)

Energy Costs Pose 'Heat or Eat' Choice to Elderly

High home energy costs are devastating to the needy elderly who are being forced to choose whether to "heat or eat," a report released by the National Council of Senior Citizens demonstrates.

The average American household spends roughly 6 percent of income on home energy costs, the study notes, but 70 percent of low-income elderly households, even after getting federal energy assistance money, lay out 20 percent or more of their total income for energy bills.

THE REPORT, "Seared Hopes and Frozen Promises," was prepared by the NCSC's Project EnergyCare, an information and assistance program that concentrates on the home energy needs of the elderly and disabled poor. It is funded under a grant from the Community Services Administration.

The report points out that only about half the low-income households that need it get help from federal energy assistance programs, and it warns that without a massive federal assistance role, many elderly will face heating bills this winter "that they simply cannot pay."

The Reagan Administration's 1983 budget energy proposals that slash energy assistance should be rejected, the NCSC said in releasing the report, because the large cuts called for "would make 'heat or eat' a national policy for the poor and the elderly."

FEDERAL RESOURCES will be best used, the report emphasizes, if they combine a program of fuel payment assistance with an expanded weatherization program.

The NCSC also found that the highest energy costs are now being borne by users of fuel oil heat, but the situation could worsen for users of natural gas as prices are allowed to rise under deregulation.

A key finding of the study, NCSC said, was that energy services are needed by many thousands of the elderly poor in every community "from the colder Northeast to the warmer Southwest and Southeast."

The difficulties with energy costs that the elderly already face are likely to worsen, the report concludes, "as funding for critical federal energy programs is reduced or eliminated" and other energy prices escalate.

THE STUDY found that one of every four elderly poor households spends more than 40 percent of its income on heating bills during the winter. In the poorest households—those receiving supplemental security income—energy bills during the coldest months may even exceed their income.

Of the households surveyed, 45.5 percent had incomes of less than $300 per month, and 69 percent had less than $400 a month.

With incomes this low, the NCSC said, energy bills, especially in the winter, force the elderly to choose between paying the bills or buying food and medicine. Most pay the heating bills and tighten belts elsewhere, if necessary borrowing money to buy food, the report said.

The NCSC report also stressed that policy decisions about the amount and distribution of low-income energy assistance should take account of varying regional and seasonal needs as well as fuel types.

About 17 percent of the nation's elderly poor now heat with fuel oil compared to about 60 percent who use natural gas. But present policies call for full decontrol of natural gas prices by 1985, the study noted, and those costs, already rising "will have an especially severe impact on those regions where gas is the predominant fuel." When the prices become nearly equivalent to oil, as much as $19 billion could be added to the "cost of survival" for the needy, the study said.

The data gathered by Project EnergyCare, NCSC said, shows that "the real need for energy assistance among the poor and the elderly is enormous," but in addition to cash assistance, weatherization of homes can provide substantial savings in total monthly energy bills for the elderly. The nation as a whole benefits from the effects of fuel conservation, the study stressed.

INFORMATION collected by Project EnergyCare demonstrated that for a $1,000 investment in weatherization, average energy cost savings were about 23 percent, and the savings were about 34.5 percent for a $2,000 investment.

Because the percentage of savings is greater when the rundown homes low-income citizens are likely to live in are weatherized, the program is a "sound investment" for aiding the poor and saving fuel, the report observed.

Weatherization, the study emphasized, also helps create jobs where they are needed in low-income areas, both through the projects themselves and by freeing capital for other types of investment.

The NCSC study called for the rejection of the Reagan Administration's 1983 budget for energy assistance because it is inadequate for the needs of the poor. The budget would slash federal energy assistance by $500 million, down from $1.8 billion to $1.3 billion.

"THIS WOULD leave recipients with between one-fifth and one-fourth of their incomes going to pay for energy after receiving energy assistance payments, and this is on an annual basis which does not reflect the concentration of energy costs in the winter months," the report pointed out.

The Reagan budget, NCSC said, would count energy assistance as income for purposes of Aid to Dependent Families and food stamp eligibility.

Grants to all AFDC families would be reduced by the amount of energy assistance they receive.

"In effect," the report observes, "this would eliminate the benefits of energy assistance for AFDC recipients, no matter how high their energy costs. In addition, food stamp benefits would be reduced up to $5.25 for each $10 received in energy assistance.

New Ship Simulator Trains Merchant Marine Officers

Linthicum, Md.—The Marine Institute of Technology & Graduate Studies offers "the finest technological training in the world" for U.S. maritime officers, Capt. Robert A. Lowen, president of the Masters, Mates & Pilots described as he "commissioned" a new, one-of-a-kind ship simulator for the institute.

The facility held dedication ceremonies June 29 for the simulator (shown in the two photos below) which will expand its Maritime Advancement, Training, Education & Safety Program (MATES).

THE INSTITUTE is run by the Masters, Mates & Pilots, an affiliate of the Longshoremen, in cooperation with the union's contract companies. Lowen serves as chairman.

The simulator has been named for Capt. Thomas F. O'Callaghan, a former president of the union and a pioneer in the use of simulators in maritime training. O'Callaghan is shown at the dedication (top photo) with Lowen, left, and Stephen P. Maher, administrator of the MATES program.

The simulator uses maps, photographs and scale models converted to film by computer technology to recreate conditions "facing any ship in any harbor in the world," the union said.

The machinery combines 360 degree sight and sound and all ship's motions to create day or night scenarios "virtually indistinguishable from the real world," and instructors can program situations that simulate any condition an officer might encounter. Any part of the mission can be frozen and rerun to suggest alternatives, and failures in the system can be programmed to sharpen the officers' ability to make decisions about secondary systems.

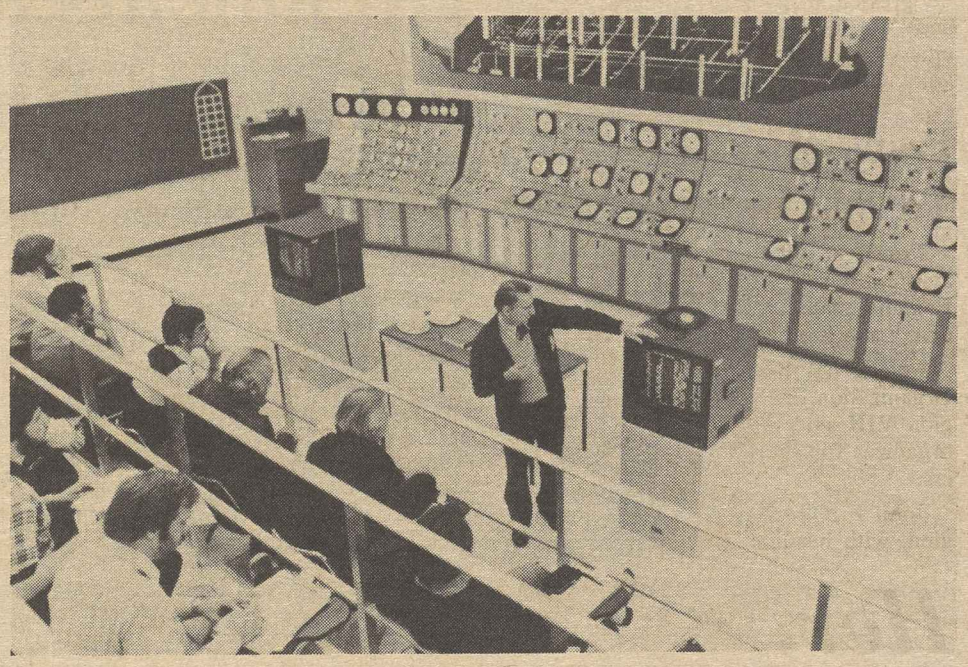
THE BRIDGE is fitted with standard equipment and instruments used aboard modern ships as well as many advanced communications, navigation and ship monitoring and control systems. These components can be arranged to fit the configuration of any bridge layout the trainee is likely to face.

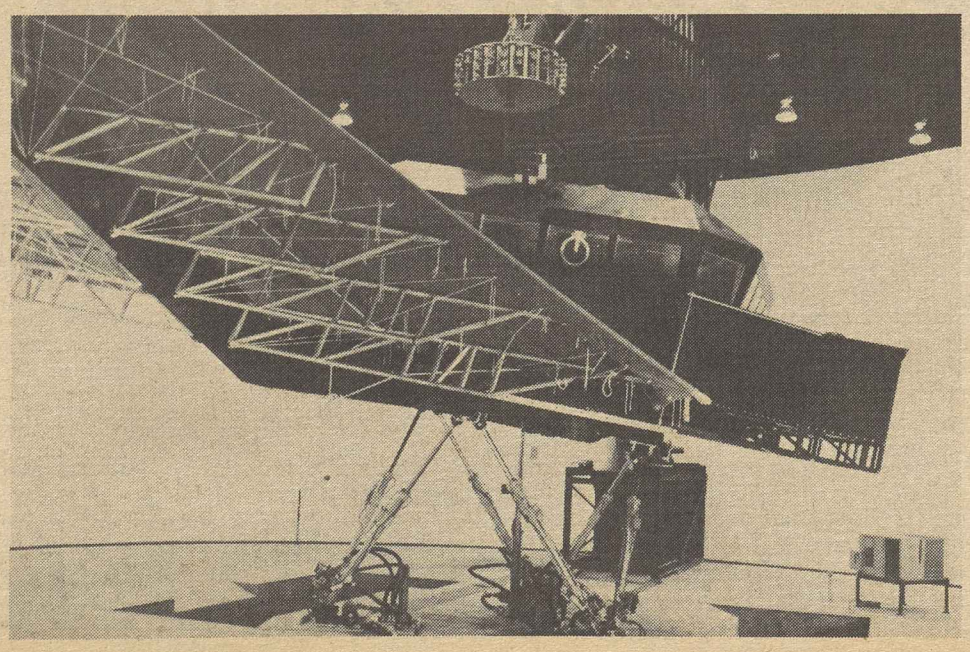
In addition to the new full mission training program and simulator, institute programs also offer specialized training in fields such as all-weather navigation, gas carriers, electronic navigation, ship's law, business and medical care and others.

The simulator for the liquid carrier course (shown in the photo at right) also helps officers-in-training to handle modern tankers.

THE INSTITUTE was established in 1967 as a training program sponsored by the union and shipping companies at the Texas Maritime Academy. It was moved to the 55-acre Linthicum campus near Baltimore in 1972.

In addition to its classrooms and simulators, the institute includes residential and recreation facilities for students.





Petition Drive Presses Auto Content Law

The Auto Workers have launched a nationwide petition campaign to demonstrate broad public support for legislation to require that foreign cars sold in the United States have a high percentage of American-made parts and materials.

UAW President Douglas A. Fraser kicked off the signature-gathering drive at a press conference at Washington National Airport. He told reporters the domestic content bill now before Congress could save 868,000 jobs in the auto and related industries by 1985.

THE PETITIONS will be sent to congressional leaders, Fraser said, adding that "more and more members of Congress with long records as 'free traders' are realizing that this slogan of 'free trade,' particularly as practiced with the Japanese, has to be coupled with a demand for 'fair trade.' "

The bill has the strong support of the AFL-CIO and is at the top of the UAW's legislative priority list. It has 218 sponsors in the House and 16 in the Senate and has already cleared the House Energy & Commerce subcommittee.

The content provisions would be phased in over three years and would require companies, such as Toyota, that sell more than half a million cars a year in the United States to use American labor and parts for 90 percent of their content.

Companies with lower sales volume would face lower content requirements based on a sliding scale. U.S. companies that buy auto parts from foreign firms would also be affected.

COUNTERING the contention that the bill would provoke retaliation, Fraser pointed out that other countries already have content laws of their own. Without such a law, U.S. auto makers are at a disadvantage, he asserted.

Rather than worry about predictions of retaliation, Fraser said, Congress "should worry about this country's industrial base," of which the auto industry is a critical segment.

The UAW said the signature drives will be pressed in airports, shopping centers and "on unemployment lines" in other cities including Baltimore, Detroit, Atlanta, Chicago and Los Angeles.

PENSION INVESTMENT developments are discussed at a meeting of the AFL-CIO Executive Council Committee on Investment of Union Pension Funds. The committee, chaired by Ironworkers President John H. Lyons, at left, reviewed strategies to encourage investments that advance the labor movement's social concerns and create jobs.

Frank Myers Appointed To N.E. Regional Post

Frank G. Myers has been appointed assistant director of the AFL-CIO New England states region, Federation President Lane Kirkland announced.

Myers, 41, has been on the Dept. of Organization & Field Services staff in Region VIII since 1966. Earlier, he was an organizer for the Ladies' Garment Workers.

John F. O'Malley is director of the region, with headquarters in Boston.

Court Urged to Block Gutting Of Davis-Bacon

(Continued from Page 1)

With few exceptions to the doctrine that contracts are let to the low bidder, "it is very easy for a fly-by-night operator to go into the construction industry, pick up some semi-skilled or unskilled workers at rock-bottom wages and make a quick profit," Georgine stressed.

Prevailing wage requirements give reputable contractors "a fair chance to compete for government projects" on the basis of skills and efficiency, Georgine said, rather than "on the basis of the low wages they pay."

AND TAXPAYERS are protected, he noted, because a dam or a missile silo shouldn't be entrusted to unskilled workers "hired off the street simply because they are willing to work at substandard wages."

Georgine discussed the various regulatory changes in terms of the Davis-Bacon Act's intent and concluded that it would achieve "by administrative fiat" what foes of the law were unable to accomplish through legislation.

As one example, "the new regulations will permit wholesale employment of workers in helpers and other subjourneymen classifications at depressed wage rates" regardless of local practice.

CHANGING THE definition of prevailing wage from the rate paid to the largest number of workers in the craft involved, so long as it is at least 30 percent of the total, would "substantially diminish" the law's protection, Georgine said. The 30 percent rule has been in existence since 1935, he noted.

Restricting the area base for computing wages and abolition of weekly payroll record-keeping requirements are other changes that would undermine the prevailing wage law, Georgine said.

Ohio Campaign Launched For Big Election Turnout

Cleveland—The call for political unity among workers was sounded throughout the 13th biennial convention of the Ohio AFL-CIO which drew nearly 1,200 delegates representing 625 local and 63 international unions and approved endorsements for statewide offices.

Speaker after speaker, in keeping with the convention's theme of "Solidarity Day II—Let's Turn It Around," called on the delegates to mobilize their membership for a massive pro-labor voter turnout in the Nov. 2 general election.

AFL-CIO Sec.-Treas. Thomas R. Donahue charged in an address to the delegates that the Reagan Administration's economic policy "has generated nothing but disaster" for workers, pointing out that there are more Americans unemployed now than at any time since the Great Depression.

"More than 10.5 million men and women are looking desperately for jobs that do not exist," Donahue said. "Fewer than half of them are receiving any unemployment compensation at all" and hundreds of thousands of the long-term jobless will exhaust their benefits shortly, he noted.

Calling for a reversal of Reaganomics and rejection of members of Congress who embrace faulty White House policies, Donahue observed that "there are three-quarters of a million trade unionists in Ohio who are determined not to curse the national climate, but to go out and change it—and that means changing some of the political players come Nov. 2."

HE NOTED that huge sums of money from employer and right-wing political action committees are being poured into every state "to keep Reaganism in the saddle."

It is not surprising "that the fat cats should want to repay the President for his solicitous attention to their interests," he added. "What we have going for us is the fact that, whatever else it can do, money can't vote. Only people do that. And people is what the labor movement is all about."

Also addressing the three-day gathering were the state's two Democratic senators, Howard Metzenbaum and John Glenn; National COPE Director John Perkins; AFL-CIO Region III Director Walter Waddy, Benjamin Hooks, executive director of the NAACP; Jerzy Warman of the Committee in Support of Solidarity; and Stewart Jaffy, legal counsel to the state federation.

AMONG THE 90 resolutions acted on, the convention called on Congress "to adopt forthwith the AFL-CIO's alternative program designed to create jobs, restore fairness to the tax structure and sharply reduce the President's budget deficit."

President Milan Marsh and Sec.-Treas. Warren J. Smith were re-elected to new four-year terms along with the 34-member executive board.

Heading the list of endorsed candidates are Metzenbaum, who is up for re-election, and former Lt. Gov. Richard Celeste, the Democratic candidate for governor.

Nathan Peskin Dies at 65, Workmen's Circle Official

New York—Nathan Peskin, executive director of the Workmen's Circle since 1979, died June 23 after a heart attack. Peskin, who was 65, served more than 40 years with the Jewish fraternal organization, which has maintained close ties with the labor movement since its founding.

In a message to the officers of the organization, AFL-CIO President Lane Kirkland and Sec.-Treas. Thomas R. Donahue said Peskin will be remembered "as a dedicated leader whose service to Workmen's Circle was service to all of his fellow men."

Heritage Foundation Keeps Scaring Up Funds

The right-wing Heritage Foundation churns out research reports supporting conservative causes, but its most imaginative writing can be found in fund-raising letters.

Early on, the tax-exempt foundation discovered that there's nothing like a good scare to make people reach for their checkbooks, and some of its efforts have been dillies.

THERE WAS the appeal, a few years back, for "desperately needed" contributions to stop Congress from imposing "compulsory unionism of our armed forces." That letter warned of soldiers striking during a combat alert and "shutting down a strategic airbase during contract negotiations."

Then there was the year in which the Heritage Foundation needed "every dollar you can send" to stop "nationalized medicine" in which you would be assigned a "government doctor," by number rather than name, and would be forced to comply with a health plan issued by a mythical federal agency.

And now there's a fund-raiser aimed at senior citizens receiving social security that was persuasive enough to induce a staunch supporter of social security to write a check to the Heritage Foundation under the impression that he was helping to protect social security from those who would cut its benefits.

THE FUND-RAISING letter enclosed an official-sounding questionnaire, entitled "National Survey on Social Security, especially prepared by the Heritage Foundation, a tax-exempt public policy research institute." It even included three "optional questions," thus leaving the impression that the 11 other questions are in some way mandatory.

And the return letter includes a paragraph to be checked, declaring: "I've enclosed my tax-deductible contribution to the Heritage Foundation for its Campaign to Save Social Security. Please use it to fund research and develop legislative proposals to restore fiscal stability to social security."

It takes a careful reading of the rambling four-page cover letter from Rep. Philip Crane (R-Ind.) on behalf of the Heritage Foundation to find out that the foundation is hostile to such social security features as survivors and disability benefits, early retirement and Medicare. Social security has become "an economic drain on the country," Crane's letter asserts.

THE UNION member who sent a copy of the fund-raising material to the AFL-CIO said his father was under the impression that he was responding to "an official congressional questionnaire" and was about to mail it back with a contribution to the "campaign to save social security." The Heritage Foundation was started in 1973 with seed money from Joseph Coors of the beer company family, who was one of the earliest financial backers of Ronald Reagan's presidential campaign.

In addition to seeking money from senior citizens, its fund-raising gimmicks this year have included a taped endorsement of the foundation by President Reagan on a toll-free number, followed by an appeal for contributions, and a letter from White House Counselor Edwin Meese III.

And last year, it invited its more affluent donors to contribute at least $1,000 to join the foundation's "President's Club."

"You will be provided with an access to Washington policy makers which cannot be had at any price," donors were promised.

DIVISIVE POLICIES of the Reagan Administration on social and economic issues could lead America to a "two-class society" and produce the first generation less educated than their parents, Sen. Paul S. Sarbanes (D-Md.) warns the 2,300 delegates to the Teachers' 66th annual convention in New York. Seated at right is AFT President Albert Shanker.

Political Action Stepped Up

Reagan Policies Scored At Teachers' Convention

New York—Using political action to fight the anti-public education and "ruinous" economic policies of the Reagan Administration was a dominant theme of the 66th annual convention of the American Federation of Teachers.

AFT President Albert Shanker, who was re-elected without opposition to his fifth two-year term, declared that "Ronald Reagan has been a great teacher" in making members aware that the problems of rising unemployment, high interest rates and a worsening economy affect them directly and forcefully and that they must therefore be more heavily involved in politics.

PRESIDENT REAGAN'S proposal of tuition tax credits for parents who send their children to private or parochial schools must be countered with a strong national campaign, Shanker said.

To emphasize the union's opposition to this scheme, which would cost the U.S. Treasury billions of dollars annually, delegates of the Teachers and the National Education Association, meeting in Los Angeles, held an unprecedented joint press conference from each convention site to announce their resolve to fight the proposed tuition tax credit legislation.

A simultaneous resolution passed by delegates to both national conventions warned that such a tax credit proposal is "bad economic policiy, improper public policy, harmful educational policy and violates the spirit and the letter of the U.S. Constitution."

TO BRING that message home to Congress and the President, the Teachers will be seeking a million signatures by Election Day on petitions being circulated this summer at beaches, supermarkets and public assemblies. The petition drive is being coordinated by a national coalition of education, civil rights, parents, civic and labor organizations.

Sen. Paul Sarbanes (D-Md.), in a major address to the 2,300 AFT delegates, warned that, under the Reagan Administration, "for the first time in this country's history, we may be headed in a direction where the next generation may be less educated than their parents."

Sarbanes, who has been the target of far right-wing groups, charged that the Administration's economic and social policies are fostering a "two-class society" in America.

Another speaker, Charles Manatt, the chairman of the Democratic National Committee welcomed "the new partnership and active involvement of the AFT and labor in the Democratic National Committee."

Manatt accused the Reagan Administration of "forgetting the future" because of its cuts in social and economic programs. "Reagan has forgotten to invest in human capital, in physical capital and in social justice," he declared.

Shanker termed the overall voting record of the 97th Congress "a chronicle of the most anti-education and anti-labor administration" in recent history, based on the findings of a detailed AFT survey rating congressional votes.

On 12 education, labor and social issues, only 91 House members and 11 senators had perfect records.

SHANKER SAID: "No amount of supply-side voodoo or other economic jargon can justify the anti-education and anti-labor policies of this Administration, or excuse the members of Congress, House and Senate, Democrat and Republican, whose votes made Reagan's program the law of the land."

Delegates also attended all-day "mini-schools" on a wide-ranging series of professional and issue-oriented subjects during the convention, with those dealing with political activity among the most heavily attended.

The program included sessions on setting up a basic political structure at the local level, establishing an effective phone-bank operation, and a "graduate" course on planning and conducting political campains.

In other business, the delegates considered resolutions dealing with educational issues, human rights, legislation, international relations, women's rights, health care and economic issues.

AMONG THESE was a resolution on controlling nuclear weapons, which called for "serious strategic arms control negotiations consistent with the maintenance of overall parity with the Soviet Union," and including provisions for mutual, verifiable freezes, and balanced mutual reductions of nuclear forces.

The delegates also approved an increase of 25 cents in the monthly per capita payment to help finance the purchase of an AFT headquarters building.

They also voted to hold conventions biennially, instead of yearly, effective in 1984.

Congress Pressed to Revive Authority for Credit Controls

The AFL-CIO urged Congress to revive the credit control law that helped choke off a 1980 recession and provide an alternative to high interest rates as an antidote to inflation.

Henry Schechter, director of the AFL-CIO's Office of Housing & Monetary Policy, testified at House hearings that "the modest use of credit control authority" during a three-month period in 1980 "led to a rapid reduction on interest rates and cut the life of a developing recession to the shortest on record."

THE STANDBY credit control authority Congress gave the President in 1969 expired last month, and legislation to renew it has been introduced by Rep. Frank Annunzio (D-Ill.), chairman of the Consumer Affairs subcommittee, Chairman Fernand St Germain (D-R.I.) of the parent Banking, Finance & Urban Affairs Committee, and some 45 co-sponsors.

Testifying along with the AFL-CIO at the House hearings in favor of the extension were Operating Engineers President J. C. Turner on behalf of the National Council for Low-Interest Rates, Auto Workers Research Director Sheldon Friedman, and representatives of the U.S. Conference of Mayors, National Association of Homebuilders, U.S. League of Savings Associations and National Farmers Union.

Schechter said the 1980 use of credit controls led to a reduction in interest rates on new mortgages from a peak of over 16 percent to about 12.5 percent, with a corresponding rise in housing starts. The prime interest rate charged by banks dropped from 19.5 percent to 11 percent over three months.

BY CONTRAST, he pointed to the present recession-breeding restrictive monetary policy of the Federal Reserve Board and the Reagan Administration along with the sharp rise in business bankruptcies and in unemployment.

"There is a growing consensus that a meaningful recovery from this depressed economic condition is not possible without a significant reduction of interest rates," Schechter testified.

A byproduct of high interest rates, Schechter noted, has been a furthering of the gap between moderate-income households that are hurt by the high interest rates that bear so heavily on the cost of the necessities they buy and the relatively improved position of affluent investors with surplus funds to put into money-market securities and other high-interest investments that form an increasing portion of their total income.

THE HOUSING market has been particularly hurt by the flow of capital away from savings institutions and other traditional sources of mortgage funds, Schechter stressed.

The assorted forms of adjustable rate mortgages can't overcome the fact that mortgage interest rates remain "at levels beyond the reach of a large part of the potential housing market," he said.

Turner, representing a coalition that includes the Conference of Mayors, Consumer Federation of America, NAACP, housing and public power organizations as well as unions and the Industrial Union Dept., warned that "high interest rates are undercutting our ability to function as a society."

He cited massive unemployment in the construction trades, economic collapse of farmers, small businesses and big industries alike, and the higher costs to consumers.

"THE CALL for lowering interest rates is a nearly universal one," he said.

Friedman told the subcommittee that auto sales shot up during brief periods when manufacturers offered to finance new car and truck purchases at below-market interest rates.

He cited a University of Michigan consumer survey showing that one-third of all households were postponing major purchases because of high interest rates.

Study Bears Out Need for NLRA Reform

Employers increase their chances of defeating a union organizing drive when they break the law and fire union supporters, the government's General Accounting Office confirmed.

The GAO report on the impact of employer unfair labor practices was prepared at the request of the House Subcommittee on Labor-Management Relations. Its findings, Subcommittee Chairman Phillip Burton (D-Calif.) said, clearly bear out the need for labor law reform.

BURTON CITED evidence of increasing delays in NLRB processing of unfair labor practice cases and the "chilling effect" both on workers illegally fired and those who remain.

The National Labor Relations Act guarantees a worker's "right to organize," Burton said. But "the law is not working."

Alan Kistler, director of the AFL-CIO Dept. of Organization & Field Services, said the GAO findings are "no surprise to union organizers." They know from experience that illegally firing workers is a "vicious" but effective tactic of anti-union employers.

"A particularly distressing feature of the report," he said, is the "meager cost to employers" for breaking the law.

Computations for back pay, which allow employers to deduct other earnings of fired workers from back pay owed, "ensure that most workers will get little pay" when they are ordered reinstated. "Unscrupulous employers and their labor-management consultants conclude that it pays to break the law," Kistler stressed.

The GAO report dealt with a large sampling of NLRB unfair discharge cases and representation elections, mostly during 1979, which was the year after a Senate filibuster killed labor law reform legislation. The study had been requested by the previous chairman of the subcommittee, Frank Thompson, Jr. (D-N.J.).

It found that most firings for union activities and other illegal punishments of union supporters took place during organizing campaigns, not after a union had achieved recognition.

IN A STUDY of 368 union representation elections held during 1979, the union won bargaining rights 45 percent of the time when there were no illegal actions by employers but only in 38 percent of the elections in which union supporters were discriminated against.

The GAO report quoted both the members of the National Labor Relations Board and the NLRB general counsel as verifying from their own experience that employer unfair labor practices have a "chilling effect on the free exercise of employee rights to select the union" and that illegal firings "weaken the union campaign."

A GAO questionnaire to workers who had been fired for union activities found that most never returned to their jobs, in many cases because they chose to stay with alternate employment they had found after their illegal dismissals. But most went through long periods of joblessness and had to tap savings, apply for food stamps or borrow money to get by.

DESPITE ALL this, 57 percent told the GAO they would probably participate in some future union organizing campaign, 17.7 percent were unsure, and more than 25 percent said they would not participate with most of this group expressing concern that they would again lose their jobs if they did.

The GAO report also found that the median time required to process an unfair labor practice case from the filing of the charge through an NLRB decision was 483 days in 1979.

It noted that the number of unfair labor practice charges filed increased 49 percent between 1974 and 1979—from 27,726 to 41,259 cases annually. And it cited the belief of union representatives that employers more frequently violate the National Labor Relations Act "because they can get away with it."

Reagan Order Blocks Strike By Rail Union

President Reagan invoked provisions of the Railway Labor Act to block a scheduled July 11 strike against major railroads by the unaffiliated Locomotive Engineers who have been working without a contract for more than a year.

In ordering the 60-day cooling-off period, Reagan appointed a three-member emergency board to investigate the dispute between BLE and National Railway Labor Conference, the bargaining agent for more than 50 railroads.

THE PANEL will be headed by Arnold Weber, president of the University of Colorado, who has held several government posts. The other members are Daniel Quinn Mills, a Harvard University professor, and Jacob Seidenberg, a lawyer from Falls Church, Va.

Meanwhile, President Fred A. Hardin of the United Transportation Union announced that the UTU would initiate selective strikes against the carriers beginning July 30.

Hardin said selective strikes would not justify imposition of the national emergency board procedures Reagan used in the Engineers dispute.

But the dispute could be broadened if UTU members are locked out by railroads that are not struck by the union.

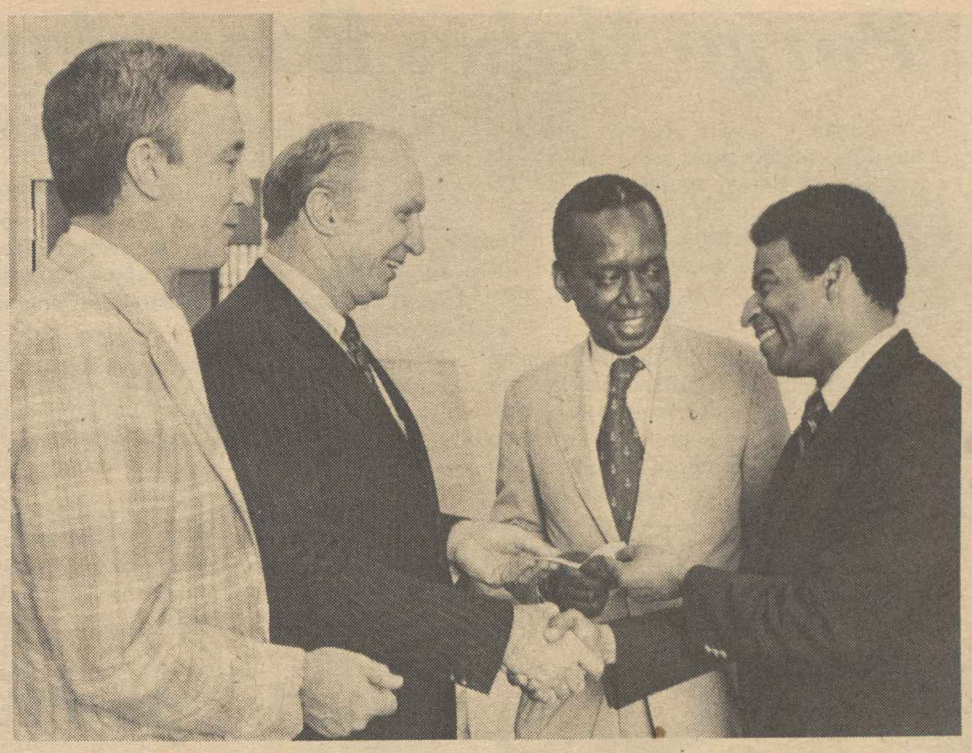
REAGAN ISSUED the executive order against the BLE strike at his vacation retreat in Santa Barbara, Calif., after chairman Robert O. Harris of the National Mediation Board informed the White House that the year-old negotiations had hit an impasse.

Except for the 125,000-member UTU and the 35,000-member BLE, 14 railroad unions have negotiated new agreements with the freight carriers to replace contracts that expired Apr. 1, 1981.

A major issue in the dispute between the railroads and the two unions is management's demand to change work rules, which would reduce wages of the railroad workers.

REAGAN'S executive order went into effect July 10. During the first 30 days, the three-member board will conduct fact-finding studies and report to the President. The second 30-day period is for review and implementation of the board's recommendations. If no agreement is reached after 60 days, the BLE would be free to strike.

A national strike would not involve Conrail or the Boston & Maine Railroad, which have already signed agreements with the two unions.



SOUTH AFRICAN UNIONISTS aid fund is swelled by a contribution of some $2,500 in donations collected at the June conference of the A. Philip Randolph Institute. The fund is part of the AFL-CIO program of support for black trade unionists in South Africa set up by the AFL-CIO Executive Council and coordinated by the African-American Labor Center. Here, Sec.-Treas. Thomas R. Donahue accepts the check from APRI President Norman Hill. At left is AALC Executive Director Patrick O'Farrell. Second from right is Nana Mahomo, an exiled South African unionist now with AALC, who is working with the project.

Railroad Union Task Force Explores Conrail Purchase

The Railway Labor Executives Association has set up a task force to determine what role Conrail workers should have in the sale of the federally owned railroad, including the possibility of employee acquisition.

RLEA Chairman Fred A. Hardin said in announcing the formation of the panel that another option would be for a large degree of employee participation in the acquisition of Conrail by other investors.

UNDER PROVISIONS of the 1981 Northeast Rail Service Act, the federal government is required to sell its holdings in the carrier within a period of years. The federal government owns 85 percent of the railroad; the other 15 percent is controlled by Conrail's Employee Stock Ownership Plan (ESOP).

The task force members in addition to Hardin, who also is president of the United Transportation Union, are President Richard I. Kilroy of the Railway & Airline Clerks, President O. M. Berge of the Maintenance of Way Employes, Vice President Andrew M. Ripp of the International Brotherhood of Electrical Workers and Vice President Albert A. Terriego of the Transport Workers.

The 1981 law states that the Dept. of Transportation has until June 1, 1983, to sell Conrail as a single entity, or in more than one piece after that date.

CONRAIL WAS formed in 1976 when the government took over operations of several bankrupt Northeast railroads. It currently has nearly 60,000 employees represented by 19 unions.

Hardin said the task force's options would include union-represented workers as well as supervisory and management employees not under union contract.

"An active approach by Conrail's employees will assure productivity improvement and operating cost cushions necessary for the company's long-term viability," Hardin said. "It will also help maximize continued rail service and the level and stability of employment and wages."

IN AN EFFORT to streamline operations and to make Conrail more attractive to buyers, most of the railroad's workers have agreed to nearly $600 million in wage deferrals over a three-year period ending in 1984.

Meanwhile, the U.S. Railway Association in its annual report to Congress praised Conrail's performance for 1981.

"Dramatic growth in operating profits, achieved despite significant traffic declines, allowed Conrail to earn its first annual net income," the report by the federal agency said.

The government has invested $3.3 billion in plant and equipment improvements since 1976.

HARDIN NOTED that Conrail employees have the greatest long-term interest in the railroad's operations and in continuing rail service while opposing the diversion of Conrail's resources to non-rail uses.

Such diversions, he pointed out, were a major factor in the bankruptcies of the Northeast railroads which resulted in the formation of Conrail.

The RLEA wants safeguards against the recurrence of the problem, he said.

Unions Welcome Proposal For Grain Dust Standard

A study panel's findings that spell out corrective procedures for the prevention of grain dust explosions were welcomed by the AFL-CIO Food & Beverage Trades Dept. as needed steps to curb the mounting incidence of injury and death at grain elevators and mills.

If the recommendations are properly implemented, the National Research Council-National Academy of Sciences panel said, 90 percent of grain dust explosions could be eliminated.

FBTD President Robert F. Harbrant applauded the panel's call for a standard to limit the accumulation of grain dust in elevators through the required use of mechanical ventilation systems.

"This standard is the single most important thing we can do to prevent the loss of life and property in the grain industry," Harbrant said in urging the Occupation Safety & Health Administration to follow through on the recommendations by developing an effective federal regulation.

SINCE 1960, more than 400 grain dust explosions have been recorded across the country, causing 200 deaths and millions of dollars in damage.

No federal regulation currently applies specifically to grain elevators and mills. The NRC-NAS study was requested by OSHA, the National Institute of Occupational Safety & Health and the Agriculture Dept.

While welcoming the thrust of the panel's findings in addressing the causes of grain dust explosions, Harbrant questioned the Agriculture Dept.'s regulations that he said encourage the accumulation of dust in order to increase the weight and price of grain deliveries.

He also questioned the report's lack of documentation on health hazards posed by grain dust.

John Gibson Retires from Hotel-Restaurant Post

Cincinnati—John F. Gibson has retired after serving eight years as secretary-treasurer of the Hotel Employees & Restaurant Employees.

Gibson was first elected to the post by the union's executive board in 1974 following the retirement of Robert L. Diefenbach. He was elected to his first full term at the HERE convention in 1976 and reelected in 1981.

Before his election as secretary-treasurer, Gibson was president of the union's Local 430 in St. Louis and in 1973 he became a vice president of the international. He had been an organizer for the union since 1954.

HERE President Edward T. Hanley will act as secretary-treasurer until the union's executive board meets later this year to name a successor to Gibson.

NFL Players Reject Offer, File Charges

A salary package proposed by the National Foodball League owners only two days before the July 15 contract expiration was branded "totally ridiculous" by the NFL Players Association.

Management's offer to the players union was the first since negotiations opened in mid-February and came six days after the NFLPA filed an unfair labor practice charge against the NFL Management Council for failure to bargain.

WHILE PROPOSING an increase in minimum salaries, the owners' offer did not respond to the union's bargaining goal of assuring players a percentage of receipts which the NFLPA spelled out in early June.

"If that's their opening shot, it missed," NFLPA President Gene Upshaw said. "It's not even in the ballpark."

Scoring the lack of substance in the offer, NFLPA Executive Director Ed Garvey said, "In six months of bargaining, we have not heard one concession on anything. All they want to do is perpetuate the system they have now and keep players' salaries down."

IN FILING charges with the National Labor Relations Board, the NFLPA also accused team owners of designating bargaining representatives who lack sufficient authority to negotiate with the union.

The complaint further charged that management was engaging in a campaign to undermine the union and its leadership and that it refused to furnish bargaining information that it had agreed to provide.

Meanwhile, Garvey announced that with expiration of the contract, unsigned rookie players would not be allowed to negotiate with team owners under provisions of federal labor law.

HE ALSO noted that veteran players under free agent status would have no obligation to report to training camp and may sign with another league.

"If they do report," Garvey said, "they will receive either 110 percent of their 1981 salary or the club's last written offer—whichever is greater."

Congress Rebuffs Reagan's Veto of Copyright Clause

(Continued from Page 1)

The original legislation had strong bipartisan support despite the Administration's opposition, and the vote changes didn't come close to blocking the two-thirds needed for the override.

IN THE HOUSE, 213 Democrats and 111 Republicans voted to override. Seventy-three Republicans and 13 Democrats supported the President. When the House first passed the bill, on June 15, only 40 Republicans and 7 Democrats voted against it.

The Senate had originally passed the bill by voice vote, and the Republican leadership had to drop far down on the seniority list—to New Hampshire's Sen. Gordon J. Humphrey—to find a floor leader willing to support the President's position.

Majority Leader Howard H. Baker, Jr. (R-Tenn.) voted to override the veto, and Senate Judiciary Committee Chairman Strom Thurmond (R-S.C.) was a co-sponsor of the bill. All nine votes to sustain the veto came from Republicans.

WITH A Republican majority in the Senate and a strong conservative coalition in the House, Reagan has seldom had to veto legislation the Administration opposed in order to keep it from becoming law.

Of eight other vetoes, most were allowed to stand without an attempt to override. The House three times sought but failed to muster the needed two-thirds majority for an override.

Labor Dept. Purge Makes Room for Union Foes

Career Labor Dept. employees have been shifted out of the department's policy planning office to make way for economists more attuned to the Reagan Administration's anti-union positions.

One new Labor Dept. policy consultant is Carl Dahlman, a Swedish citizen who has been on the faculty of the University of Wisconsin.

THE MAN who recruited him, Assistant Sec. of Labor John Cogan, insists that Dahlman was just joking when he wrote of coming to Washington to work on "busting unions." It was just a quip referring to the firing of striking air traffic controllers, Cogan told the Associated Press.

But the AP story also quoted a memo by Dahlman to Cogan sharply criticizing a maritime policy paper prepared by the Labor Dept.'s Bureau of International Affairs. Dahlman said the memo, which proposed the theme that "government, industry and labor join hands to rebuild the merchant marine," was filled with "pro-union" positions.

Another newcomer to the department, designated as deputy assistant secretary for policy evaluation and research, is a University of Washington professor who has crusaded against some of the laws the Labor Dept. is supposed to enforce.

THE NEW appointee, Daniel Benjamin, told the Seattle Times that "for a number of years, I have been explaining how government regulations impede the economy. This is my opportunity to go out and do something about it."

Benjamin spoke of what he termed "the disastrous effect" of the minimum wage on teen-agers. And he said he will be reviewing rules affecting the Occupational Safety & Health Administration, unions and other areas.

The new policy official also advanced the theory that unemployment compensation adds to unemployment by encouraging layoffs "rather than lowered wages" in a recession.

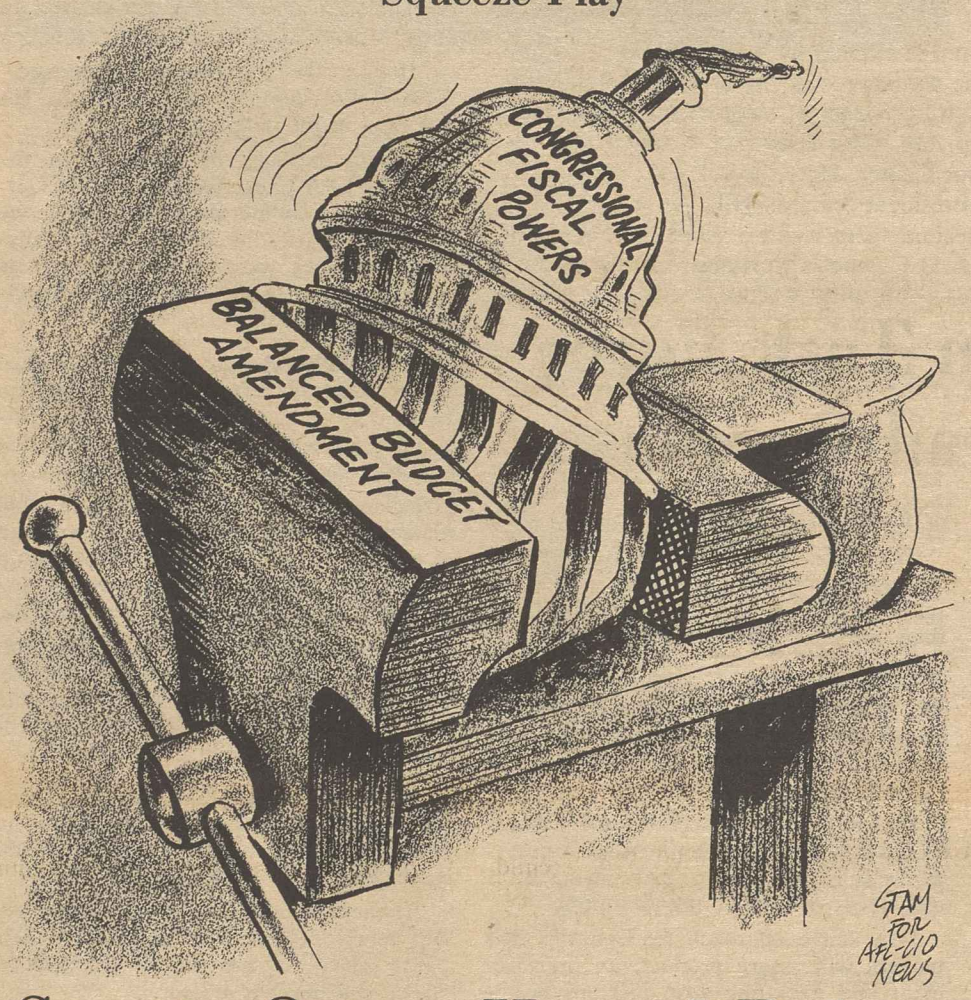
THE NEWSPAPER quoted him as saying that it would be relatively easy to design a system in which people kept their own unemployment fund to be used only when they were out of work.

Meanwhile, newspapers covering federal employee issues have reported the shunting aside of 19 high-level career employees in the policy planning office. The action was described by an aide to Rep. Patricia Schroeder (D-Colo.), who heads the House Civil Service subcommittee, as part of an ideologically motivated purge.

ONE OF THOSE reassigned is the newly elected president of Local 12 of the Government Employees, Jay Edelson. He said Cogan told him that career people who had served in earlier administrations "could not be trusted to do an objective job."

The local has filed grievances objecting to a number of the transfers.

Squeeze Play



Senate Opens Heated Debate Over Balanced Budget Plank

(Continued from Page 1)

AFSCME had Data Resources Inc. prepare an economic "simulation" of the effect of a balanced budget and revenue ceiling if it were to take effect in fiscal 1985 and continue at least through the 1987 fiscal year.

THE STUDY'S conclusion was that it would increase unemployment by some 2.65 million more than would otherwise occur by 1987, slash the total output of goods and services by $519 billion between 1985 and 1987, and reduce state and local government revenue by $49 billion in 1987.

In the Senate, most of the action was behind the scenes as various senators with doubts about the proposed constitutional change sought to drum up support for modifications or substitutes to make it more palatable.

Sen. Daniel Patrick Moynihan (D-N.Y.), however, used sarcasm and ridicule to point up some of the fallacies of the whole approach.

THE MOST uncontrollable item in the budget, he reminded his colleagues, has been the interest the government pays. Perhaps, he suggested, Congress could write the interest rate into its budget and throw bankers in jail if they raised it.

Or, if unemployment insurance payments had to stop to avoid running a budget deficit, Congress could "simply make it a crime for any employer to lay off any employees."

And since the amendment allows an exception to the balanced budget requirement in time of war, "everytime we saw a deficit coming, we declare war on Iceland" with the understanding that "we would not actually go to war."

THE ACTUAL amendment would require a three-fifths vote of the House and Senate to allow an unbalanced budget. It would also guard against the "danger" of balancing the budget by high tax revenues by prohibiting any revenue increase greater than the rate of growth of national income.

The Senate put aside its constitutional debate to join the House in voting emergency funds to carry a number of government programs until the new fiscal year in October.

The $5.5 billion appropriations bill includes major funding for food stamps, sewer construction and guaranteed student loans.

It also includes language that will restore the jurisdiction of the Mine Safety & Health Administration over non-coal surface mines—at least for the balance of this fiscal year. Congress last year excluded them from coverage, and the unions representing workers involved have lobbied hard to regain lost protection.

REAGAN VETOED two previous funding bills because they included money for housing and other programs he opposed. The House failed to override the vetoes, and a number of government workers faced payless furloughs as a result.

The latest version, which the House passed 389-13 and the Senate approved 91-6, added some money for summer jobs for youth, highway programs and $42 million for postal subsidies—but trimmed back other programs to bring the dollar total closer to the White House figures.

Court Upholds Puerto Rico In Suit Over Harvest Jobs

The Supreme Court upheld the right of Puerto Rico to sue Virginia apple growers for refusing to hire the island's farm workers for the annual harvest.

The high court's 8 to 0 decision affirmed a ruling by the U.S. Court of Appeals for the Fourth Circuit that Puerto Rico has the right to take 51 Virginia growers to court on behalf of its workers. The commonwealth wants to sue the employers for illegally refusing to hire many available Puerto Rican workers, who are U.S. citizens, for the 1978 harvest and for wrongfully discharging most of those that were hired.

IT BASED its case on federal laws giving U.S. citizens preference over temporary foreign workers in filling jobs and that prohibit employment discrimination against citizens in favor of foreign nationals.

Puerto Rico charges that the growers hired Jamaicans to fill most of the 787 jobs that came open in the Virginia apple harvest even though Puerto Rican workers were available. Of 420 Puerto Rican workers who arrived for the jobs, all but 30 were discharged within three weeks.

The growers claimed that the Puerto Rican workers were "unproductive" and could not meet the standard of 110 bushels a day.

THE HIGH COURT'S opinion, written by Justice Byron J. White, was joined by all members of the court except Justice Lewis F. Powell who did not participate in the vote. A concurring opinion was filed by Justice William J. Brennan, Jr., with Justices Thurgood Marshall, Harry A. Blackmun and John Paul Stevens.

White pointed out that the decision was grounded in the principle of "parens patriae" which means literally "parent of the country." The concept gives a state the right to represent and defend the interests of the "health and well-being" of its citizens in general.

Puerto Rico, suffering a 30 percent unemployment rate, claimed the right to sue in this case as part of its responsibility to its citizens.

THE COURT agreed that Puerto Rico has not only a right to defend its citizens against ethnic discrimination in employment, but also to defend its status and benefits within the federal system.

Puerto Rico cited provisions of the Wagner-Peyser Act, which established the U.S. Employment Service and its interstate clearinghouse that helps recruit workers from one state for jobs available in another, and the Immigration & Nationality Act of 1952, which regulates the admission of temporary workers and requires employers first to seek domestic agricultural workers without discrimination through the interstate referral system.

Justice White's opinion said that protecting its residents from "the harmful effects of discrimination" is especially important to Puerto Rico "simply because of the unfortunate fact that invidious discrimination frequently occurs along ethnic lines."

THE JUSTICES agreed with the appeals court that the commonwealth has a legitimate interest on behalf of all its citizens because "deliberate efforts to stigmatize the labor force as inferior carry a universal sting." Puerto Rico also has full rights to sue, the justices said, to make sure the federal job referral program fully benefits its residents since unemployment "is surely a legitimate object" of its concern.

New Pamphlet Explores Papal Letters on Labor

A new AFL-CIO pamphlet contains the text of an address by Sec.-Treas. Thomas R. Donahue at Notre Dame University in May relating the goals and principles of the trade union movement to religious teachings about the role and rights of workers in society.

The 28-page pamphlet, "A Trade Union Perspective of Laborem Exercens," traces the support for social justice and the "essential" role of unions and collective bargaining in a series of papal encyclicals, including the statement issued by Pope John Paul II last September.

The paper was presented at Notre Dame's symposium on "Co-Creation: A Religious Vision of Corporate Power." It encompasses a similar presentation by Donahue at the International Symposium sponsored by the Pontifical Commission on Justice and Peace in Rome, Apr. 3-5, 1982.

Copies are available from the AFL-CIO Pamphlet Division, 815 Sixteenth St., N.W., Washington, D.C. 20006 at $1 per single copy; 75 cents each for 10 to 99 copies; and 65 cents each for 100 or more.

Unions Set Votes on Two Mergers

Merger proposals that would combine four AFL-CIO affiliates into two unions will be brought before delegates at special conventions the week of July 26.

One merger would bring together the Pottery Workers and the Glass Bottle Blowers. The other would unite the Aluminum, Brick & Clay Workers and the Glass & Ceramic Workers.

The merger proposals have been approved by officials of all four unions following discussions ranging from several months to almost two years. Members of the Glass & Ceramic Workers have already approved the proposed merger with the Aluminum, Brick & Clay Workers in a referendum.

The Glass & Ceramic and the Aluminum, Brick & Clay unions will meet separately in Jacksonville, Fla., on July 26 and will then meet in joint session pending approval of the merger by delegates.

The Pottery Workers will also hold a special convention opening on July 26 at Hollywood, Fla., to consider the merger plan with the GBBA.

Under the GBBA's constitution, approval of the merger is not required by a special convention, the union said.

A Two-Faced Promise

WHEN AN ADMINISTRATION or political party has a hard time writing a good record for itself, one alternative is to invent one. The Republican National Committee, which is rich in dollars but destitute in ideas, thinks it has come up with a winner, finally.

The Reagan Administration and the GOP took a blistering during the past year because they could not keep their budget knives away from social security.

First off, the Reaganites stopped calling the system by the name it was given a half-century ago by Franklin D. Roosevelt and its New Deal creators. With the deathly touch of modern propaganda efforts, good old social security was renamed an "entitlement program."

Then, during the 1981 congressional session, the conservatives started taking little bites out of the system, a nip here and a nip there, hoping that the sensitive millions who depend on social security would not notice.

THE RESULT was that benefits for dependent children in college and post-secondary schools were eliminated along with minimum benefits for new applicants and burial benefits for some clients.

When the new Administration attempted a general assault on the basic benefit system, however, a massive national reaction was generated, and substantial majorities in both houses of Congress swore new fealty to social security.

Then came the 1982 budget negotiations in which President Reagan himself took part. In those sessions, according to participants, Reagan renewed one of his discredited 1981 ideas: a delay in the automatic cost-of-living benefit increase scheduled for July 1.

Once again, the Reaganites had to beat a hasty retreat when their cruel idea became general knowledge. The men and women who expected to face the electorate in November told the White House, in plain words: "hands off social security."

The White House retreated as far as naming a commission with a conservative majority that was directed to recommend changes in social security, but not until after Election Day. Anyone old enough to vote knows that is a signal that the conservatives once again will attempt an assault on the system.

MEANTIME, with the economy in a shambles and public opinion running strongly against the GOP, the Republican National Committee threw some of its money at Madison Avenue and got in return what its chairman called "a nice little commercial."

This number shows a folksy pseudo letter carrier who announces that he is delivering one of the President's promises, that mid-year cost-of-living social security increase.

Happily, there are too many tough-minded protectors of the system around to let the GOP get away with that lemon. Rep. Claude Pepper, one of the most diligent, said the television ad "lowers the art of deception to depths not explored since the Nixon Administration."

Some losers never seem to learn.

AFL-CIO News

Official Weekly Publication of the American Federation of Labor and Congress of Industrial Organizations

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THOMAS R. DONAHUE, *Secretary-Treasurer*

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On Cloud Nine-and-a-Half

New Plan Ordered

Court Slaps Agriculture Dept. On Cuts in Child Care Meals

By Press Associates, Inc.

THE AGRICULTURE DEPT. under the Reagan Administration seems to have trouble following instructions.

In the 1981 budget act, Congress told USDA to figure a way to spend less for the school lunch program, but not at the expense of good nutrition. USDA came up with its now infamous—and abandoned—set of revised regulations that included permitting ketchup to count as a vegetable and meal portions so scanty they were inadequate for growing children.

Congress also told the agency to cut 10 percent from the Child Care Food Program (CCFP), an entitlement program established in 1968 which subsidizes USDA-approved meals for primarily low-income children in family day care homes and other child care centers. Congress told USDA that any changes should "avoid disruption of the programs and insure adequate meal service for children."

USDA'S RESPONSE last January was to cut meal subsidies for many child care providers by 20-30 percent, saving at most an estimated $1.8 million, according to the Food Research & Action Center, a non-profit nutrition advocacy organization.

On behalf of 18 individuals and organizations from six states, FRAC filed suit in federal court in June, charging that the USDA had violated the intent of Congress in the budget act and also had neglected to follow proper rulemaking procedures. Six members of Congress joined FRAC by filing "friends of the court" briefs.

FRAC said the government's cuts were so drastic that they were having a "ripple effect" on low-income child care. It cites the statements of two plaintiffs in the case:

● Joanna Petry receives some welfare to supplement her $340 a month wages. Her child is in a day care program from 11:30 a.m. to 8 p.m., seven days a week.

"I KNOW THAT my child is receiving nutritional meals during the hours she is in child care with my present provider. . . . With my limited income I would not be able to replace these meals if my present child care no longer provided them. . . . I have been informed that because of actions taken by USDA, my child care provider may be forced to stop serving meals to my child . . . or may be forced to stop providing child care altogether. There is no other child care I know in my area that I can afford that will serve my child the nutritional meals she now receives. . . . Without adequate child care, I cannot keep my job."

● Bethany Lee is a day care provider for six children in Ohio. Their mothers are welfare or former welfare recipients, now working.

"I receive reimbursement for meals I serve these children through the Child Care Food Program . . . which . . . enables me to provide the children with nutritious meals. . . . Because of actions taken by USDA, reimbursement funds will no longer be available to me.

"I cannot continue to provide family day care by charging the parents more. These mothers . . . cannot afford to pay for the food. . . . If I lose the reimbursement for meals, my income will be so reduced that I will be forced to quit, leaving these families without day care and good nutrition.

"I LIVE IN a small town. Decent, inexpensive day care is not available. These mothers whose children I will be forced to drop will have the choice of quitting their jobs and going back on welfare or finding cheap, poor, unsupervised day care that not only jeopardizes their children's nutrition, but their entire well-being."

In 1981, the Child Care Food Program provided meals to some 843,000 children daily in 8,591 child care institutions, 60,032 child care centers and 43,030 family day care homes.

About 75 percent of the children participating in the program come from low-income families, according to FRAC.

The USDA claims that the program serves primarily middle-income families and that the cuts do not really hurt low-income working mothers.

Fortunately for the low-income parents and children who participate in the program, a federal judge agreed with FRAC's evidence. He told USDA administrators to come up with other plans that are consistent with Congress's directions.

AFL-CIO LEGISLATIVE ALERT!

Congress Beats Reagan Veto, Saves Publishing Jobs

President Reagan, callously rejecting pleas to save 400,000 U.S. jobs, vetoed H.R. 6198, a measure designed to maintain a healthy U.S. printing industry. Fortunately, the House and Senate voted overwhelmingly to override the President's veto. (See story, page 1 of this issue). Representatives and Senators who voted wrong (against overriding the veto) are listed below.

WRONG VOTES ON JOB-SAVING COPYRIGHT CLAUSE -- VETO OVERRIDE

SENATE

Denton (R-AL)
Dole (R-KS)
Goldwater (R-AZ)
Humphrey (R-NH)
Mathias (R-MD)
McClure (R-ID)
Nickles (R-OK)
Pressler (R-SD)
Symms (R-ID)

Not Voting

Abdnor (R-SD)
Andrews (R-ND)
Hatfield (R-OR)
Hawkins (R-FL)
Laxalt (R-NV)
Murkowski (R-AK)
Riegle (D-MI)

HOUSE

Archer (R-TX)
Badham (R-CA)
Bafalis (R-FL)
Bailey (R-MO)
Beilenson (D-CA)
Breaux (D-LA)
Broomfield (R-MI)
Brown (R-CO)
Bergener (R-CA)
Chappie (R-CA)
Cheney ((R-WY)
Clinger (R-PA)
Coats (R-IN)
Collins (R-TX)
Conable (R-NY)
Crane, Phillip (R-IL)
Dannemeyer (R-CA)
Derwinski (R-IL)
Dickinson (R-AL)
Dornan (R-CA)
Dreier (R-CA)
Duncan (R-TN)
Edwards (R-OK)
Erlenborn (R-IL)
Fiedler (R-CA)
Fields (R-TX)
Findley (R-IL)
Forsythe (R-NJ)
Frenzel (R-MN)
Gibbons (D-FL)
Glickman (D-KS)
Goldwater (R-CA)
Gradison (R-OH)
Gramm (D-TX)
Grisham (R-CA)
Hammerschmidt (R-AR)
Hansen (R-ID)
Hiler (R-IN)
Huckaby (D-LA)
Hyde (R-IL)
Jeffries (R-KS)
Jones (D-OK)
Kemp (R-NY)
Lagomarsino (R-CA)
Latta (R-OH)
Leath (D-TX)
LeBoutillier (R-NY)
Lee (R-NY)
Lewis (R-CA)
Livingston (R-LA)
Loeffler (R-TX)
Lott (R-MS)
Lowry (D-WA)
Lungren (R-CA)
Madigan (R-IL)
Marks (R-PA)
Martin (R-NC)
McClory (R-IL)
McCloskey (R-CA)
McDonald (D-GA)
Michel (R-IL)
Moore (R-LA)
Moorhead (R-CA)
Morrison (R-WA)
Patman (D-TX)
Paul (R-TX)
Pritchard (R-WA)
Pursell (R-MI)
Rhodes (R-AZ)
Roberts (R-KS)
Shelby (D-AL)
Shumway (R-CA)
Siljander (R-MI)
Smith (R-AL)
Smith (R-NE)
Smith (R-OR)
Stangeland (R-MN)
Stanton (R-OH)
Stump (D-AZ)
Tauke (R-IA)
Thomas (R-CA)
Vander Jagt (R-MI)
Weber (R-MN)
Whittaker (R-KS)
Winn (R-KS)
Young (R-FL)

Not Voting

Andrews (D-NC)
Blanchard (D-MI)
Boner (D-TN)
Bonker (D-WA)
Brown (R-OH)
Burton, John (D-CA)
Chappell (D-FL)
Clay (D-MO)
Ertel (D-PA)
Foglietta (D-PA)
Ginn (D-GA)
Holt (R-MD)
Ireland (D-FL)
Jones (D-TN)
Leland (D-TX)
Marlenee (R-MT)
Molinari (R-NY)
Roberts (R-SD)
Rousselot (R-CA)
Santini (D-NV)
Traxler (D-MI)

Balanced Budget Amendment: Floor Action Begins

The Senate began consideration of S.J. Res. 58, the Constitutional amendment to force balanced federal budgets; and even though many consider the measure a fraud, approval seemed likely (see page 1 story).

On the House side, H.J. Res. 350 has stalled in the Judiciary Committee, but its backers have introduced a motion to discharge the committee from consideration of the amendment. They hope to "end-run" the usual committee process and bring H.J. Res. 350 straight to the floor.

WHAT YOU CAN DO: Urge your Senators to oppose S.J. Res. 58, the Constitutional amendment to force balanced budgets. And urge your Representative to oppose H.J. Res. 350 or any discharge motion to bring it directly to the floor.

Now Congress Searches for More Federal Taxes

The Reagan tax cut is causing enormous budget deficits, so Congress passed a FY 1983 budget calling for $21 billion in new taxes to narrow the deficit. The Senate Finance Committee's package calls for $3 billion in tax hikes on working Americans.

WHAT YOU CAN DO: Focus grassroots lobbying on the House, especially the House Ways and Means Committee. Urge members to place the $21 billion in new taxes where they belong: on the wealthy individuals and corporations that benefited from the 1981 tax cut. Ask them to cosponsor H.R. 6257, the Equity Tax Act.

HOUSE WAYS AND MEANS COMMITTEE

Democrats

Rostenkowski (IL)
Gibbons (FL)
Pickle (TX)
Rangel (NY)
Anthony (AK)
Stark (CA)
Jones (OK)
Jacobs (IN)
Ford (TN)
Holland (SC)
Brodhead (MI)
Jenkins (GA)
Gephardt (MO)
Downey (NY)
Heftel (HI)
Fowler (GA)
Guarini (NJ)
Shannon (MA)
Russo (IL)
Pease (OH)
Hance (TX)
Matsui (CA)
Bailey (PA)

Republicans

Conable (NY)
Duncan (TN)
Archer (TX)
Vander Jagt (MI)
Crane (IL)
Frenzel (MN)
Martin (NC)
Bafalis (FL)
Schulze (PA)
Gradison (OH)
Rousselot (CA)
Moore (LA)

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Reagan Vetoes Zap Jobs—And He Threatens More

Last year President Reagan pushed his economic program through Congress on the promise that it would restore vigor to the nation's economy. Instead, it has brought recession, high unemployment, choking interest rates, business failures, bankruptcies, more hardship for the poor, increasing numbers of "new poor," and now-- bank failures.

Congress finally is saying "enough" and is passing bills to stimulate the economy. But Reagan keeps using his veto power to thwart Congress.

It's inexplicable. One would almost think President Reagan is enjoying the Reagan recession.

REAGAN VETOES HOUSING STIMULUS BILL: 250,000 HOMES, 500,000 CONSTRUCTION JOBS LOST

First President Reagan vetoed an appropriations bill that included a program designed to cut mortgage interest rates by 4 percentage points for certain buyers of new homes. The government was to bear only the administrative costs of the program, because home buyers would have been required to pay back the subsidy. Nevertheless, the President vetoed the bill, and with a single stroke of his pen prevented the construction of 250,000 homes and creation of a half-million construction-related jobs.

REAGAN VETOES COPYRIGHT BILL, RISKS PUBLISHING JOBS

More recently, the President vetoed H.R. 6198, the extension of a law requiring that most books published by U.S. companies and written by Americans be printed here in order to gain copyright protections. Fortunately, the House and Senate overrode this veto.

REAGAN ALLOWS LOSS OF TRANSPORT CONSTRUCTION JOBS

The Reagan Administration decided not to match the Canadian government in providing subsidized financing for the sale of subway cars to New York City. Thus the contract will go to a Canadian-based company under license by a Japanese firm. This decision is a signal that in the future the Administration will do nothing to prevent foreign countries from using unfair trade practices to penetrate U.S. markets.

REAGAN BUDGET OFFICE PLANS FOR MORE VETOES

The Reagan Office of Management and Budget has prepared a series of nearly a dozen documents to be used in rationalizing future vetoes of anti-recession bills. An OMB official reportedly said that even worthwhile anti-recession bills that cost the government nothing would be vetoed. Like Herbert Hoover, President Reagan apparently will take no action to help the jobless.

Update on Key Jobs Issues

DEFENSE JOBS: H.R. 5540, the Defense Industrial Base Revitalization Act, would build a reservoir of skilled workers to expand and modernize the nation's defense industry. It would provide training for machinists, millwrights, tool and die makers, mechanics, construction workers and others involved in defense industries while maintaining "buy American" and Davis-Bacon protections.

Urge your Representative to support the job-creating H.R. 5540.

JOBS AND TRAINING: H.J. Res. 514, an urgent supplemental appropriations bill for the current year, would provide $1 billion for jobs and training. It would give some relief to laid-off workers and distressed communities by creating jobs in such areas as maintenance and repair of public buildings and roads. Urge your Representative to support H.J. Res. 514.

DOMESTIC CONTENT: Domestic content legislation would create 800,000 jobs in autos, steel, rubber, glass, electronics and other supplier industries.

In the House, H.R. 5133 is pending before the Energy and Commerce Committee; send letters and postcards to Chairman John Dingell (D-MI) urging quick action. In the Senate, S. 2000 is before the Commerce, Science and Transportation Committee; send postcards to Chairman Bob Packwood (R-OR).

TARIFFS: Urge your Senators to oppose S. 1902, which would extend for two years President Reagan's authority to cut U.S. tariffs on foreign products. The United States has given more than it has received in most tariff negotiations over the past three decades, so there is no reason to cut U.S. tariffs even further.

UNEMPLOYMENT COMPENSATION: Rep. Harold Ford's (D-TN) bill to provide an extra 13 weeks of unemployment compensation for those who have exhausted other benefits may be passed as a part of budget reconciliation or separately. Urge your Representative to support H.R. 6369, and your Senator to support the companion S. 2550 by Sen. John Heinz (R-PA).

Labor Dept. Seeks to Junk Child Work Curbs

By Susan Dunlop

New rules floated by the Labor Dept. would undermine child labor protections and are "an attempt to amend labor law through the administrative process," AFL-CIO President Lane Kirkland charged.

The proposed changes outlined by Labor Sec. Raymond L. Donovan would take away some work-hour protections for 14- and 15-year-old children and let them hold some jobs previously restricted as hazardous.

"I would not have thought that even this Administration would do this," Kirkland said.

"THE MOVE would be a social outrage if we had full employment," he stressed, "but we have record unemployment with disastrously high rates for those between 16 and 18.

"At a time when their older brothers and sisters cannot find work, it is preposterous to lower the working rules for school age youngsters," Kirkland said.

The AFL-CIO statement stressed that the Administration's move on the 44-year-old protective measure "follows a pattern we have observed in other areas of well-established laws and regulations protecting workers from employer abuses."

THE FEDERATION also branded another Labor Dept. proposal a "back-door attempt" to achieve a youth subminimum wage which it could not get through Congress.

The new rule would exempt employers from having to reapply annually for certification to pay full-time students less than the $3.35 an hour minimum wage.

The overall objective is to cut wages, Kirkland said, calling the Labor Dept.'s actions "a blatant violation of the trust and statutory responsibilities of that department."

The Labor Dept. said it was proposing the changes in the regulations established under the Fair Labor Standards Act in response to requests primarily from retail and service industry employers such as fast food chains and amusement parks.

Under the proposed new rules, children

(Continued on Page 2)

AFL-CIO News

MEMO FROM COPE PAGE 8

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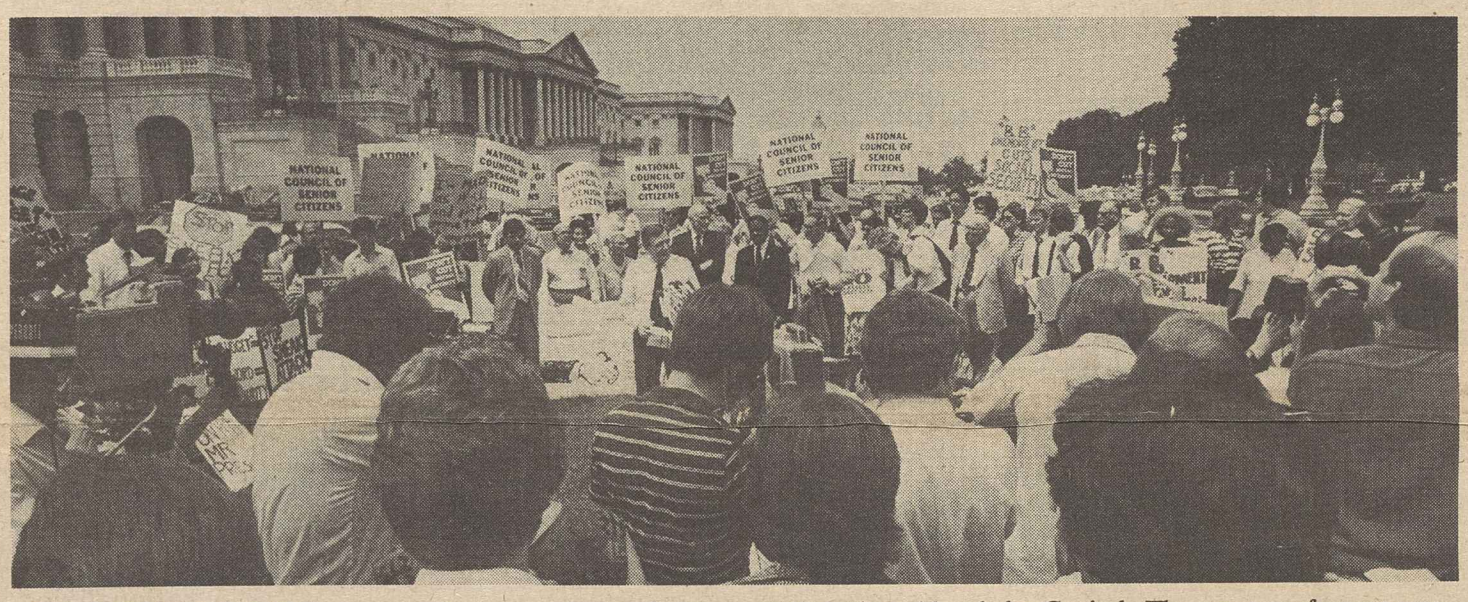
Kirkland Prods Congress on Jobs



AT A CAPITOL HILL news conference, union and congressional critics of the attempt to write a balanced budget requirement into the Constitution respond to President Reagan's endorsement of the amendment at a right-wing rally on the other side of the Capitol. The news conference was called by the National Council of Senior Citizens, which views the push for the amendment as an attack on social security benefits and other entitlement programs.

Hits Reagan's 'Class War' On Workers

AFL-CIO President Lane Kirkland pressed Congress to act independently of the Reagan Administration to get America back on the road to full employment.

Labor sees no sign of a change in course "from an Administration still engaged in destroying jobs," he told the Joint Economic Committee of Congress.

KIRKLAND SPOKE of the human misery that accompanies the economic devastation of the Reagan recession, of "the desperate and fruitless search for work" in the wake of plant closings and layoffs.

The Administration's "supply-side" economics amount to "a massive transfer of income" from workers and those with moderate incomes "into the pockets of the wealthy," Kirkland charged. He termed Reagan's policies "class warfare" against workers and the disadvantaged.

Last year's budget cuts, dictated by the White House, "tore deeply into the safety net," Kirkland reminded the House-Senate panel. This year, he noted, "Congress has moved, feebly and haltingly, to repair that damage, only to be thwarted by the President's recurring vetoes."

REAGAN'S VETO of $3 billion in housing funds last month, which Congress failed to override, "stopped 250,000 houses from being built and 500,000 jobs from being created," Kirkland charged.

(Continued on Page 4)

1 in 5 Jobless Sometime in '81, Blacks Hard Hit

One of every five American workers was unemployed at some point during 1981, a total of some 23.4-million workers, the Bureau of Labor Statistics reported.

BLS also reported separately that unemployment rose sharply in 47 states and the District of Columbia over the year ended in May, with jobless rates of 10 percent or higher recorded in 13 states.

The 23.4-million workers who en-

(Continued on Page 3)

Budget Amendment Bid Keyed to GOP Politics

By David L. Perlman

President Reagan's call for a constitutional amendment to compel a balanced budget is a backdoor attack on social security and an attempt to draw attention away from the Administration's economic failures, union and congressional critics charged.

Reagan embraced the amendment, which is now before the Senate, in a speech from the steps of the Capitol to a rally staged by the Republican National Committee in cooperation with right-wing organizations pushing to inject their economic theories into the Constitution.

Vice President Bush, Cabinet members and several hundred congressional cosponsors were on hand to applaud.

ON THE OTHER side of the Capitol, the National Council of Senior Citizens held an outdoor news conference to provide an immediate response to Reagan's speech—and a translation of the euphemisms used by the President.

Thus, Reagan's claim that a constitutional amendment is necessary to compel Congress to cut back the "uncontrollables" in the federal budget—the entitlements provided by law—was quickly identified as an attack on social security benefits, which are by far the largest of the entitlements.

National Council of Senior Citizens President Jacob Clayman said the cuts that would have been compelled if such an amendment were presently part of the Constitution would make the Administration's proposal last year for social security cutbacks "seem almost benign."

If the budget amendment were in place today, AFL-CIO President Lane Kirkland said at the news conference, America's deep recession would be plunging into "un-

(Continued on Page 4)

Judge Bars Labor Dept. From Gutting Davis-Bacon

A federal court has blocked the Labor Dept. from putting into effect on July 27 new Davis-Bacon Act regulations that unions charge would destroy the law's prevailing wage protections.

The preliminary injunction was issued by U.S. District Judge Harold H. Greene on July 22 at the request of the Building & Construction Trades Dept., the AFL-CIO and building trades unions whose members are directly affected. Judge Greene said the labor organizations had shown a "strong likelihood" they will prevail in gaining a permanent injunction against the regulations.

The Davis-Bacon Act requires contractors on federally funded construction to pay prevailing wages and benefits. The Labor Dept. tried to lower pay scales by changing the method of determining area wages and letting employers hire low-paid "helpers" instead of journeymen and apprentices.

7/24/82

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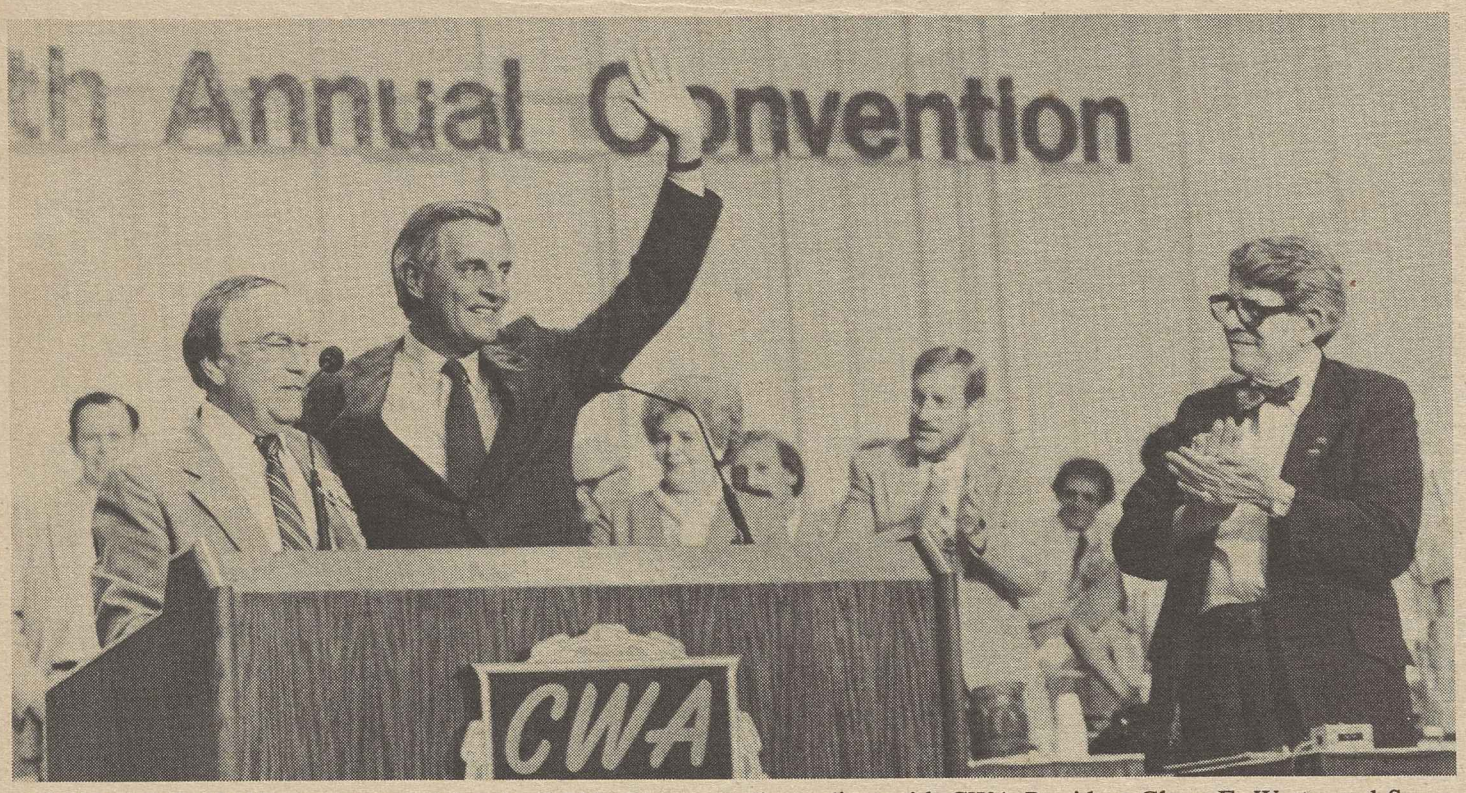


WARM WELCOME was extended by the 3,500 delegates attending the Communciations Workers annual convention in Detroit to former Vice President Walter F. Mondale, at the podium with CWA President Glenn E. Watts, and Sec.-Treas. Louis B. Knecht, right. Mondale scored the reward-the-rich policies of the Reagan Administration.

CWA Delegates Call Special Convention On Committee's Blueprint for the Future

Detroit—Delegates to the Communications Workers convention got a preliminary look at a blueprint for the future and voted overwhelmingly to hold a special convention next year to act on it.

The 3,500 delegates reviewed the interim report of the CWA Committee on the Future, which explores the outlook for the communications industry as well as the problems and opportunities that face the union.

Some important issues remain to be resolved before the final report can be made, delegates were told.

CWA PRESIDENT Glenn Watts and other committee members representing each of the union's 12 geographical districts noted that these issues include questions on funding new programs and how far the CWA should go toward providing training and retraining programs, and placement services.

While the committee placed heavy emphasis on the need for training, it also proposed the possibility of CWA developing a "hiring hall" concept.

"We are striving for employment security, rather than job security," Watts said.

Under the "employment security" concept, workers would be able to change jobs or careers but retain full pension rights and other benefits.

IN HIS KEYNOTE address, Watts took sharp issue with the Reagan Administration's economic policies and the members of Congress who blindly embrace them—calling on union members to get out the vote in the November congressional elections and "turn out the rascals."

Watts pointed to the decisions to slash the budget of the Federal Mediation & Conciliation Service, to appoint a known union-buster as head of the National Labor Relations Board, and to staff key posts in the Labor Dept. with political appointees hostile to labor as evidence that the White House has embarked on a callous campaign of undermining long-established worker protections. He cited Assistant Labor Sec. Thorne Auchter, head of OSHA, as an example of a "hostile" Reagan appointee.

Administration policies fostering high unemployment came in for additional criticism from other convention speakers, including former Vice President Walter F. Mondale, Democratic Senators John Glenn and Donald Riegle, Screen Actors Guild President Ed Asner, NAACP Executive Director Benjamin Hooks, President Joyce Miller of the Coalition of Labor Union Women and Michigan AFL-CIO President William C. Marshall.

Among the major resolutions adopted at the four-day convention, the CWA delegates:

- Called on all trade unionists to participate in "Solidarity Day II," which will be Nov. 2, the date of the general election. This time, delegates said, voters should march together to the polls in every community in America to bring about the "wholesale replacement of hundreds of high public officials who do not believe in serving their constituents."
- Opposed adoption of an amendment to the Constitution to require a balanced federal budget. "Such an amendment," delegates said, "would mean an impossible rigidity despite the grave dangers to the economy."
- Urged the CWA to "demonstrate its solid support of the renewal of efforts to achieve passage of the Equal Rights Amendment to the Constitution.
- Voiced "emphatic support for attainment of pay equity as a key personal rights issue of the 1980s, with our position kept before each President, each Secretary of Labor and each Congress until wage discrimination and related issues have been removed from our society."
- Offered a three-point alternative program for relief of the nation's social security program from the crisis that it faces.

The convention also pinned an "unfair" label on Time, Inc. CWA members employed by Time-owned Austin Cablevision in Austin, Tex., had been on strike since last October until returning to work on June 14 under the terms of an agreement reached through a federal mediator. The company later broke its commitment to the agreement, CWA negotiators reported.

Mediation Agency Outlines Plan for Service Charges

The Federal Mediation & Concilation Service will impose user fees for arbitration services beginning in October to meet a requirement under the Reagan Administration's budget for the coming fiscal year.

In announcing the proposed rulemaking, FMCS said that a $25 charge would be required for furnishing panels of arbitrators and $30 for direct appointment of an arbitrator.

SERVICES PROVIDED by the National Mediation Board would also be affected by the user fee schedule.

Payment of fees would be required when services are requested, the FMCS said. The agency estimated that the user fees would bring savings of almost $490,000 a year.

Last year, the FMCS furnished 33,194 panels and appointed 13,219 arbitrators.

It said that with the imposition of the fee schedule, requests for services would probably decline about 25 percent.

AFL-CIO Economist John Zalusky noted that the fees would undoubtedly increase union costs in the administration of contracts, and could impede services to union members.

The FMCS announced that it will accept written comments on the proposed rule until Sept. 7.

Fuel Sparks Wholesale Price Surge

Wholesale prices surged a full 1 percent in June, the equivalent of an annual rate of 12 percent, after remaining unchanged in May.

The Bureau of Labor Statistics, which reported the increase, said that the resurgence of its producer price index for finished goods was triggered by a 4.1-percent rise in energy prices. Also helping to push up the finished-goods index was a large 1.9-percent jump in car prices as auto makers ended buyer-incentive programs.

THE RISE in energy prices followed five months of declines, and accounted for about one-half the increase in June producer prices.

Prices for capital equipment and for finished consumer goods other than foods and energy both increased about twice as much as in May. Prices for finished consumer foods also rose, although not so much as in either April or May.

The June increase was the largest since a 1.1-percent increase rise in March 1981. The rise of 1 percent lifted the producer price index for finished goods to a level 3.5 percent higher than in June 1981. Finished goods are goods ready for sale by retailers.

Prices for gasoline and home heating oil rose sharply in June, following several months of substantial declines. BLS noted that because prices for refined petroleum products come in a month late, the prices used in the June index were for May, when a curtailment of crude oil production by Saudi Arabia and other exporters reversed some of the price declines of preceding months.

WITHOUT THE big 4.1-percent energy price increase, BLS said, the producer price index for finished goods would have risen seven-tenths of 1 percent rather than 1 percent.

The index for foods ready for sale to consumers rose by five-tenths of 1 percent, a bit less than in May. Prices fell in June more rapidly than a month earlier for roasted coffee, fresh fruits, and eggs. Prices for pork and poultry also moved down, following big increases in May.

The biggest food price increases were for beef, veal, fish, vegetables, and sugar, BLS said.

Among other consumer goods, prices rose for boats, lawnmowers, tobacco products, leather footwear, toilet paper, household flatware, and floor coverings.

Prices for intermediate goods rose three-tenths of 1 percent, after increasing by one-tenth of 1 percent in May.

The producer price index for crude goods fell one-tenth of 1 percent after rising 2.2 percent in May, the result of lower prices for crude foodstuffs and feedstuffs.

Labor Dept. Would Drop Child Work Bans

(Continued from Page 1)

14 and 15 years old would be allowed to work up to four hours a day on school days, up from the current three-hour limit. The maximum hours allowed in a week would go from 18 to 24 when school is in session and up to 36 hours in a week that includes a holiday.

THE RULE protecting the youngsters from having to work past 7 p.m. on school nights would change the deadline to 9 p.m. and from 9 to 10 p.m. on non-school nights or during the summer.

Young teenagers would still be limited to an eight-hour day or a 40-hour week when school is not in session.

Currently the regulations prohibit the employment of 14- and 15-year-old children in manufacturing, mining or processing operations.

The proposed changes would permit the children to work in some laundry and dry cleaning operations. Most restrictions would be lifted in cooking and baking jobs if the work does not involve handling hot grease, working over an open flame or using pressurized cookers without safety valves.

Children would also be allowed to hold jobs washing the exteriors of trucks and buses and the interior of passenger cars, and they would be permitted to pump gas, check oil and wash windshields in gas stations.

The provision against using young teenagers in warehousing and storage jobs would be gutted, permitting them to be used in jobs such as tag and ticket work in tobacco warehouses, order-filling, marking, packaging and shelving.

ALSO SLATED to go is a prohibition against employing children in communications and public utility industries. The new rules would let the young teenagers be hired to operate switchboards and teletype machines, to read meters and to clean up offices and salesrooms in these industries.

Most construction jobs would continue to be off limits except for a proposal made by the Labor Dept. to allow the use of 14- and 15-year-olds in surveying operations before construction begins.

Current regulations prohibit the youngsters from being used in jobs involving the operation of power-driven machinery, but the new rules would lift that ban for retail and food service establishments. Children would also be allowed to operate machines such as automatic data processing equipment, key cutting machines, window shade cutters and self-service washing machines and dryers.

A new proposal would allow individuals to apply for a waiver from restrictions on occupations or hours worked.

AFL-CIO labor standards consultant Clara Schloss warned that such a provision "could in effect gut all child labor regulations."

Schloss pointed out that the Secretary of Labor may not have legal authority to grant such waivers in the first place since many child labor restrictions are part of the labor standards law which can only be changed by Congress.

Default a Prerequisite

Congress Asked to Bar Bailout on Polish Loans

The AFL-CIO urged Congress to act to ensure that no further payment of taxpayers' money is made to banks owed money by Poland unless that communist country is declared in default.

"The arguments against default, advanced by banking and commercial interests, are not persuasive," Legislative Rep. Peggy Taylor told the House Appropriations subcommittee on Foreign Operations chaired by Rep. Clarence Long (D-Md.).

"WE ARE TOLD that a declaration of default would relieve Poland of the burden of repayment. But no serious observer of Poland's deteriorating economy believes that there is any prospect of repayment," she said.

"We are told that default would endanger the international banking system. Felix Rohatyn, senior partner of Lazard Freres & Co., no enemy of bankers, has effectively demonstrated that default would pose no real threat to the liquidity of Western banks. Default would simply require that the banks list as liabilities loans which they now carry as assets."

Some bankers argue that there has already been a sharp curtailment of credit to Eastern Europe, and that default is therefore unnecessary, Taylor observed, but this argument ignores the pressures that are already being felt to provide new credits to protect the old ones.

"IF SUCH NEW credits are forthcoming, what will be their effect on the workers of Poland? We can expect new austerity measures by the Jaruzelski junta," she said, "and this time the workers will not have Solidarity to shield them from this economic onslaught or to guarantee that they have a voice in determining how the sacrifice should be distributed."

Solidarity, the free trade union movement that emerged in the aftermath of nationwide strikes in Poland two summers ago, was suspended and its leaders imprisoned last December when the Jaruzelski junta seized power. The Administration announced a set of limited sanctions against the Polish government, but they did not go as far as the AFL-CIO wished. Among the steps the AFL-CIO urged were calling in the Polish debt, and restricting trade with the Soviet bloc to cash transactions.

There has been no substantive change in the repressive policies of the Polish government since the Reagan sanctions

Declaring Poland in default would be an effective step toward a disengagement from policies the United States has pursued in the past decade that have made it overly vulnerable to the Soviet bloc, Taylor said.

"It would also send a message to the thousands of Solidarity members now in detention camps—those we cheered yesterday but today seem willing to forget—that we will use every peaceful weapon at our disposal in support of their cause."

Letter Carriers Score Republican TV Commercial

The Letter Carriers expressed "outrage" and demanded the withdrawal of a television commercial which shows a letter carrier praising President Reagan for the cost-of-living hike in social security benefits.

NALC President Vincent R. Sombrotto told a press conference the Republican National Committee TV spot misrepresents the policy position of his union's 250,000 members toward the Administration. And, he added, it "completely distorts the facts concerning the President's position on social security benefits."

Sombrotto released copies of protests he sent to RNC Chairman Richard Richards, Federal Communications Commission Chairman Mark Fowler and the presidents of the NBC, ABC and CBS networks.

THE TV COMMERCIAL has been aired around the nation since the July increase in social security took effect. In the spot, a letter carrier delivers a benefit check, turns to the camera and says:

"I'm probably one of the most popular people in town.

"I'm delivering social security checks with the 7.4 percent cost-of-living raise that President Reagan promised. He promised that raise and he kept his promise in spite of the sticks-in-the-mud who tried to keep him from doing what we elected him to do. . . ."

AFL-CIO SOCIAL Security Director Bert Seidman called the Republican commercial "an exercise in deception."

Senior citizens won't be fooled because they have been getting yearly increases since 1975 as provided by law, Seidman said, adding:

"And they won't forget that only a huge public outcry stopped Mr. Reagan from delaying this year's payment or drastically cutting it. The President's actions speak louder than the Republicans' words. President Reagan is no friend of social security and he has no right to claim that he is."

Sombrotto was particularly disturbed that the use of a uniformed letter carrier might lead the public to believe that all carriers support the President's policies.

Labor Panel Studies Israel-Lebanon Issues

An AFL-CIO delegation is in the Middle East on a fact-finding tour of Israel and Lebanon. It will report its findings at the Executive Council meeting in New York, Aug. 3-5.

Members of the delegation are Federation Sec.-Treas. Thomas R. Donahue, Service Employees President John Sweeney, and Tom Kahn, an assistant to AFL-CIO President Lane Kirkland.

The delegates were invited to Israel by Histadrut, the Israeli labor federation, with which the AFL-CIO maintains close relations.

JUBILANT MEMBERS of District 1199, National Union of Hospital & Health Care Employees, react to the announcement of a contract agreement with the New York League of Voluntary Hospitals. The two-year pact, which was overwhelmingly ratified, provides a 15-percent wage boost and other benefits.

46,000 Hospital Workers Win Raises, Protect Gains

New York — Hospital workers in the New York metropolitain area fought off management proposals for givebacks, and approved a new two-year contract providing for 7.5-percent annual wage hikes.

The pact, covering some 46,000 members of District 1199, the National Union of Hospital & Health Care Employees, was ratified by a vote of 12,737 to 618. The agreement with the League of Voluntary Hospitals embraces 69 nonprofit hospitals and nursing homes in New York City and on Long Island.

The National Union of Hospital & Health Care Employees is affiliated with the Retail, Wholesale & Dept. Store Union.

DISTRICT 1199 President Doris Turner called the agreement an important step forward in the fight to protect the hospital workers' hard-won gains.

"Workers all over are being asked to give back a lot of things," she said. "While we didn't get everything we wanted in this contract, because of our members' unity and determination we were able to stand firm on givebacks, and make important progress."

The contract was the first to be negotiated under Turner, who was elected in May to succeed Leon Davis, the union's first president. The union represents workers ranging from $13,000-a-year laundry workers and nursing attendants to senior social workers, who earn $29,389.

UNDER THE pact, all District 1199 members will receive a 7.5-percent wage increase retroactive to July 1, and an identical raise on July 1, 1983. All minimum hiring rates will rise by the same amount as the wage increase.

Starting on Jan. 1, 1984, management will contribute an additional one-half percent of payroll to a fund that will be used to increase the number of members who have every other weekend off. A committee will study how many weekends off the money will provide. Many of the District 1199 members now work every weekend.

Also beginning Jan. 1, 1984, management will contribute another one-half percent of payroll to the workers' pension fund, raising the rate to 8.5 percent.

UNION NEGOTIATORS fought back management attempts for broad subcontracting rights. The two sides agreed to set up a panel to look into the issue.

The agreement followed two months of negotiations in which the league made no proposals other than 23 contract giveback requests. The union had set a strike deadline of July 15, two weeks after the old contract expired.

1 in 5 Americans Jobless During Some Period in 1981

(Continued from Page 1)

countered some unemployment in 1981 represented 19.5 percent of all persons in the labor force for at least one week. The level was higher than the 18.1 percent who experienced some unemployment in 1980 but lower than the 20.2-percent peak level in 1975 during another severe recession.

For men and all blacks, however, the proportion of unemployed equaled or exceeded previous highs. Twenty percent of all male workers encountered joblessness in 1981, the same as in 1975. Among women, the proportion was 19 percent, still below its 1975 peak of 20.5 percent.

"Men were not only more likely to become unemployed," said BLS. "They generally remained unemployed longer than women."

Among blacks, the 30.5 percent who became unemployed at some point was higher than both the 1980 level of 28 percent and the previous peak of 29.5 percent reached in 1975. Unemployment touched 18.3 percent of all white workers in 1981 and 24 percent of Hispanic workers.

In its report on state jobless rates, BLS said that Michigan continued to have the highest unemployment level at 14.3 percent.

Other states with rates of 10 percent or higher were Alabama, Alaska, Illinois, Indiana, Louisiana, Mississippi, Ohio, Oregon, South Carolina, Tennessee, West Virginia and Wisconsin, as well as the District of Columbia.

The BLS noted that unemployment increased over the year in 203 of the 221 metropolitan areas covered in the study. The highest metropolitan jobless rate in May was in Flint, Mich., 19.8 percent, followed closely by Rockford, Ill., 19.3 percent. Eleven other metropolitan areas across the country suffered a jobless rate of 15 percent or higher in May.

Overall, 78 metropolitan areas reported jobless rates of 10 percent or higher, compared with only 28 in May 1981, the report said.

IN THE 35 states that experienced over-the-year declines in employment, the majority of job losses came in manufacturing industries although decreases were also recorded in construction, transportation and public utilities.

Michigan recorded the sharpest decline in employment since May 1981 with a loss of 170,000 jobs—100,000 in manufacturing.

Employment decreases ranging from 90,000 to 150,000 jobs were also reported for Illinois, Indiana, Ohio and Pennsylvania, with most of the losses coming in manufacturing.

THE BLS report said employment increased by 180,000 jobs in Texas and 65,000 jobs in Florida, with the gains coming largely in trade and services.

In the 15 states where employment rose over the year, gains in trade and services more than offset losses in other sectors, the BLS reported.

Reagan Bars UTU Selective Strikes On 9 Railroads

President Reagan used his emergency powers under the Railway Labor Act to block a strike against nine major carriers by the United Transportation Union.

The UTU had notified the carriers it planned selective walkouts if a new agreement was not reached by July 30, but Reagan stepped in July 21 and notified both parties he was naming an emergency board to look into the dispute.

He took similar action earlier this month to stop a nationwide strike by the unaffiliated Locomotive Engineers, and the same panel members have been named to explore the UTU's impasse.

The President's action starts the clock on a 30-day hearing period. If either side rejects the recommendations the board brings in after that period, another 30 days must pass before the union could strike or the carriers institute a lockout.

The panel members are Arnold Weber, president of the University of Colorado; Daniel Quinn Mills, a Harvard University professor, and Jacob Seidenberg, a Falls Church, Va. attorney.

Looking to Congress

Kirkland Scores Reagan For 'War on Workers'

(Continued from Page 1)

But the recent successful override of Reagan's veto of the job-saving manufacturing clause of the Copyright Act "offers some hope," Kirkland suggested. It indicates that Congress may be turning "more sensitive" to "the disappearance of job opportunities."

Kirkland termed the "tax giveaway of more than $700 billion" last year "the most irresponsible fiscal act" of his lifetime. He welcomed signs that Congress "has begun to come to its senses" on matters such as the leasing of corporate tax breaks. And he urged the revenue-raising tax package proposed by the AFL-CIO.

In his testimony and in reply to questions, Kirkland stressed that the federal tax structure must remain progressive, based on ability to pay.

"IT MUST NOT include such schemes as value-added taxes or one flat rate for everybody," he insisted. There's no reason why tax laws can't be simplified and loopholes narrowed while retaining a progressive tax structure, Kirkland said in a discussion with Committee Chairman Henry S. Reuss (D-Wis.).

He told another questioner that renewal of the Credit Control Act and use by the President of its standby authority to regulate credit would be "the quickest, most direct way to bring down interest rates."

The Credit Control Act expired at the end of June but a House Banking subcommittee on July 20 approved a bill that would reinstate the 1969 statute.

"WE MUST END the rule of tight money as the chief instrument of national policy," Kirkland insisted.

He urged the need for a pending House bill to provide jobs for those long unemployed. And he renewed labor's call for establishment of "a new Reconstruction Finance Corp. to rebuild the nation's industrial base and limit job-destroying imports."

Congress should extend unemployment benefit duration to the levels of past recessions and repair damage to the program inflicted last year, Kirkland urged.

And now that Congress is "no longer blinded" by the dazzle of a new Administration, Kirkland suggested, it should "take a clear look" at the issue of government regulations from the viewpoint of protecting job safety and health, and with the view to enforcing, not weakening, prevailing wage and child labor laws.

The AFL-CIO has gone to court to fight some of the deregulation excesses of the Executive Branch, Kirkland said. And labor "will continue to ask the Legislative Branch for safeguards in the marketplace and in the community as well as on the job site."

In response to questions, Kirkland angrily termed the Labor Dept.'s proposed retreat on child labor rules a "blatant violation" of the department's statutory responsibilities, and "a social and economic outrage."

MILLIONS OF JOBLESS Americans and their families are the victims of the Reagan Administration's economic program and it is up to Congress to get the nation back on course, AFL-CIO President Lane Kirkland testified before the Joint Economic Committee of Congress. With him are Henry Schechter, left, associate research director, and Legislative Director Ray Denison.

250 in Congress Join to Sponsor New ERA Effort

A new Equal Rights Amendment was proposed in Congress with the backing of more than 250 sponsors in the House and Senate.

House Speaker Thomas P. O'Neill, at a rally on the Capitol steps following introduction of the measure, called the labor-backed amendment "a bread-and-butter issue."

WOMEN ARE in the labor force because they "need to work to support their families," O'Neill said, charging President Reagan with failing to understand the participation of women in the labor market.

Although Reagan and the Republican Party repudiated support of ERA in the party's 1980 platform, the new ERA measure has bipartisan support.

House Judiciary Committee Chairman Peter W. Rodino (D-N.J.) led a list of 205 members of the House who signed on as sponsors of ERA including 164 Democrats and 41 Republicans.

In the Senate, 31 Democrats and 20 Republicans joined as co-sponsors led by Sen. Paul Tsongas (D-Mass.) and Sen. Robert Packwood (R-Ore.).

A TWO-THIRDS majority in both the House and Senate will be necessary to pass the amendment and send it to the states for the ratification process.

The reintroduction of ERA came two weeks after the June 30 deadline expired on the first ratification campaign. In that effort only 35 of the needed 38 states had voted for ratification of the measure approved by Congress in 1972 with a seven-year deadline. In 1979, Congress voted to extend the expiration date by three years.

Tuition Tax Credit Termed Menace to Public Schools

The tuition tax credit plan pushed by the Reagan Administration would cause "irreparable harm" to the nation's system of free public education, the American Federation of Teachers warned in Senate testimony.

AFT Legislative Director Gordon A. Humphrey told the Senate Finance Committee that special tax breaks to families whose children attend private schools would lead to a system of financing education that would undermine the financial base of the public school system.

Humphrey said the program would pave the way for private schools to unfairly attract only those students that are easiest to educate.

THE PUBLIC school system would be left serving more and more students with "the most difficult and expensive educational and behavioral problems," Humphrey said, adding that the public schools would be seen as a "dumping ground" to be avoided.

Tuition tax credits could benefit "divisive forces" in our society, Humphrey told the committee, because they can be used to create or support "schools run by extremists."

The credit plan proposed by President Reagan would let individual taxpayers take a credit on their income tax for 50 percent of the cost of tuition for each child in private elementary or secondary schools.

The maximum tax credit per child would be $100 in 1983, $300 in 1984 and $500 in 1985. Families with adjusted incomes of up to $50,000 a year could take the full credit with benefits declining for those with higher incomes. No credits would go to taxpayers with incomes over $75,000.

Treasury Sec. Donald T. Regan told the committee the Administration plan would cost the national treasury $3.95 billion in lost revenues over the next five years.

Humphrey warned that "no one should be lulled" by the fact that the first year's credit appears small. If the bill becomes law, he said, "it will represent only the first installment of a massive, open-ended entitlement program of the type the President otherwise finds so objectionable."

He told the committee the proposal "to gouge public education to pay for private education" was particularly unfair at a time when the Reagan Administration was slashing many other programs that were intended to aid children with the greatest economic or educational needs, such as assistance to poor and handicapped students, children needing bilingual education and aid to college students.

The Teachers began a petition campaign in June and have gathered more than 100,000 signatures in opposition to the Reagan proposals, the union said.

AFT President Albert Shanker said the union intends to collect one million signatures before election day, Nov. 2.

Budget Amendment Branded Recipe for Disaster

(Continued from Page 1)

controlled depression," with the federal government "helpless to meet its responsibility to protect and assist the jobless and the poor."

Kirkland pointed to the irony of Reagan espousing a balanced budget amendment after having turned in a record deficit for his first fiscal year in office and having proposed a $100-billion deficit for next year. It's as hypocritical as "a temperance lecture by W. C. Fields," Kirkland suggested.

House Majority Leader Jim Wright (D-Tex.) charged Reagan and the Administration with an election-year attempt to divert attention from unemployment and recession.

THE DEFICIT the President wants to stop with a constitutional amendment, Wright noted, stems directly from the "excessive tax cut for the wealthy" enacted last year at the President's urging and "the Reagan Recession."

Sen. Alan Cranston (D-Calif.) said many of his colleagues who co-sponsored the amendment because polls show a balanced budget to be a popular slogan privately consider it nonsense. "In a secret ballot, I'm convinced it would go down to defeat," Cranston said.

State, County & Municipal Employees President Gerald W. McEntee cited his union's research study on the impact of a balanced budget amendment—throwing nearly 2.7 million people out of work in its first two years and slashing the total output of goods and services by $519 billion over the same period.

THE "BENEFIT" would be an estimated drop in inflation of three-tenths of 1 percent, McEntee said. That's close to one million jobs lost for each one-tenth of 1 percent less inflation, he noted.

Rep. Claude D. Pepper (D-Fla.), a veteran of 34 years in the House and Senate, said America's elderly "suffered through one Hoover Administration. They recognize another when they see it." The constitutional amendment ploy is "a sneaky way to try to cut social security," he charged.

Delegate Walter E. Fauntroy (D-D.C.), chairman of the Congressional Black Caucus, pointed out that the amendment supported by the President would limit the ability of the federal government to raise sufficient revenues to meet its commitments.

A LITTLE KNOWN feature of the proposed constitutional amendment would prohibit any revenue increase greater than the rate of growth of national income.

This, Reagan told the pro-amendment rally, means that Congress couldn't achieve a balanced budget by raising taxes.

The amendment would allow an exception to the balanced budget requirement only in time of war or if three-fifths of both the House and Senate voted to waive the requirement.

ITS ADOPTION, Reagan said, would be a way of "bringing to heel a federal establishment which has taken too much power from the states."

Kirkland, at the senior citizens news conference, put it somewhat differently:

"In times of domestic hardship, the federal government could be helpless to meet its responsibility to protect and assist the jobless and the poor.

"In times of international crisis, the nation could be denied the opportunity to defend itself or to fulfill its worldwide commitments."

A RIGHT-WING "taxpayers" group started pushing for a balanced budget amendment about 1975, and initially their proposal was given about as much serious attention as the "flat-earth" theory.

Obliging state legislatures almost routinely approved resolutions seeking to compel Congress to convene a constitutional convention in order to adopt a balanced budget amendment and submit it for ratification. Thirty-one states have done so—Alaska last January was the most recent—and 34 petitions would trigger the never-before-used provision for a constitutional convention.

More than 60 senators signed on as sponsors of the amendment, close to the two-thirds-majority of 67 needed for approval of a constitutional amendment.

IN THE HOUSE, a companion measure has been before the House Judiciary Committee and supporters of the amendment have initiated a discharge petition to bypass the committee and bring the measure directly to the House floor.

As in the Senate, there are House members of both parties who have endorsed the proposal solely to placate single-issue groups pressing for its adoption. But there have been some signs of slippage among the amendment's supporters. Cranston, the Democratic whip in the Senate, said he now counts only 63 firm supporters of the amendment, with a handful of undecided senators holding the balance. Earlier in the debate, the assumption was that the amendment would easily clear the Senate, leaving it up to the House to decide the outcome.

Housing, Auto, Factory Slump Dulls GNP Gain

By James M. Shevis

The nation's economy turned up in the April-June quarter, the government reported, but a series of gloomy figures on June economic performance raised doubts whether recovery from the Reagan Recession would long be sustained.

New housing starts, auto sales, and factory output all dropped sharply in June.

Real, or inflation-adjusted, gross national product rose at an annual rate of 1.7 percent in the second quarter, the Commerce Dept. said. The increase was the first growth in the economy since mid-1981. Real GNP fell sharply in the two previous quarters.

AT THE SAME TIME, Commerce said that inflation as measured by a GNP-based index rose at a 5.3-percent annual rate in the just-ended quarter, up from a rate of 4.3-percent in the January-March period.

Meanwhile, the Federal Reserve Board lowered its discount rate—the fee it charges banks and savings institutions to borrow from it—to 11.5 percent from 12 percent, where it had stood since Dec. 4. The action came only hours after two major banks—Manufacturers Hanover of New York and First National Trust Co. of Chicago—cut their prime, or basic, lending rates from 16.5 to 16 percent.

The Fed said that the discount-rate cut was taken "in the context of recent declines in short-term market rates and the relatively restrained growth of money and credit in recent months."

High interest rates, which the Fed's tight-money policies have fostered, have severely depressed the housing and auto industries. While the central bank's lowering of its discount rate is not likely by itself to produce the kind of large reductions in interest rates needed to revive the economy, the move may prompt further declines in short-term rates by the big banks.

Earlier government reports on such important economic indicators as industrial output, housing and retail sales underscored the ambiguity of the current economic situation, and served to check optimism about future growth.

INDUSTRIAL PRODUCTION in June fell a seasonally adjusted seven-tenths of 1 percent, the tenth monthly decline in the past 11 months. In announcing the continuing slide in the output of the nation's factories and mines, the Federal Reserve Board also widened its earlier estimates of the declines in May and April. Originally estimated at two-tenths of 1 percent in May and eight-tenths of 1 percent in April, the declines were revised to six-tenths of 1 percent and 1.1 percent, respectively.

Housing starts plunged 15.3 percent in June to a seasonally adjusted annual rate of 911,000 units, the Commerce Dept. reported. The biggest factor in the June decline was a sharp 31.5-percent drop in multifamily dwelling starts.

THE HOUSING industry, which is having its worst year in three decades, is being held down by high mortgage interest rates. Home loans now generally cost 16 to 17 percent. "There's no way to overcome the interest rates," said Mark J. Riedy, executive vice president of the Mortgage Bankers Association of America.

Other adverse economic reports:

- Retail sales plunged 1.5 percent in June, erasing much of the May gain and clouding hopes for recovery. Contributing most to the decline was a 6.9-percent drop in autos. Excluding autos, retail sales were down three-tenths of 1 percent over the month. The Commerce Dept. said that sales of durable goods fell 4.2 percent while sales of nondurables rose a bare two-tenths of 1 percent.
- U.S. car sales fell 16 percent in early July, prompting General Motors Corp., the largest auto maker, to revive its sales incentive program for dealers. The 107,218 cars sold in the first 10 days of July by all domestic producers compared with 127,817 in the year-earlier period.
- Personal income rose a slight three-tenths of 1 percent in June while consumer spending — reflecting high unemployment and continued economic weakness — declined. The Commerce Dept. also said that Americans saved $144.7 billion at an annual rate last month, up from a $128.8 billion pace in the previous month.
- The nation's factories operated at only 69.8 percent of their capacity in June, the second lowest rate on record, the Federal Reserve Board reported. The only major improvements in capacity utilization were in the auto and oil industries. Factory products generate almost a third of the nation's sales volume.

WHILE THE government reported a 1.7-percent rise in real GNP in the April-June period, it should be noted that the figure is a preliminary one. Initial estimates frequently are revised. For example, declines of 3.7-percent in the first quarter of 1982 and 4.5-percent in the final quarter of 1981 were revised just this week to decreases of 5.1 and 5.3 percent, respectively.

The 1.7-percent figure was higher than most analysts, including those in the Commerce Dept., had anticipated. Late last month, the department said in an unofficial calculation it expected second-quarter real GNP to rise six-tenths of 1 percent.

Income Drops For Families, Poverty Rises

Median family income for the nation declined by 3.5 percent from 1980 to 1981 after adjustment for inflation, the Census Bureau reported.

At the same time, the bureau reported that the number of Americans officially classified as poor increased by about 2.2 million to 31.8 million in 1981. Approximately one out of seven persons was living below the poverty level last year.

THE MEDIAN family income for 1981 was $22,388, the agency said. This means that as many families were above that level as below it. Between 1979 and 1980, again adjusted for inflation, the median fell 5.5 percent.

In 1981, the median income actually grew 6.5 percent but adjusted for a 10.4 percent increase in consumer prices as measured by the consumer price index, there was a 3.5 percent decrease in purchasing power, or real income. In 1980, the annual average CPI was up 13.5 percent.

Last year's 3.5-percent decline occurred basically in three regions of the country. The Northeast was the only area where real median family income—$23,706 in 1981—was about the same as in 1980. The figures for the North Central states, the South, and the West all represented declines.

MEDIAN INCOME for white families was $23,520 in 1981, for black families $13,270, and for those of Spanish origin $16,400. For whites and blacks, the figures represented declines in purchasing power while the figure for families of Spanish origin was about unchanged from 1981.

The median income for families with a householder 65 years of age or more showed no real change, while real median family income for all other age groups declined.

THE THRESHOLD of poverty last year was an income of $9,287 a year for a family of four, up from $8,414 in 1980 because of the impact of inflation.

"Among the factors contributing to the increase in poverty were the recession that began in mid-1981 and the associated rise in the unemployment rate," the Census Bureau observed.

Increases in the poverty population occurred in all geographic areas. The overall poverty rate for metropolitan areas was 12.6 percent, but central areas had an 18 percent rate while the rate outside central cities was 8.9 percent.

JOB-FINDING WORKSHOP for workers displaced by the closing of a U.S. Steel plant near Birmingham, Ala., is conducted by the AFL-CIO's Human Resources Development Institute and the Steelworkers. At this session, Ralph Johnson of the University of Alabama's Center for Labor Education gives some practical advice. HRDI, in cooperation with local unions, is launching a new program of direct help to workers made jobless by plant closings.

HRDI-Steelworker Workshop in Birmingham Provides First Aid to Plant-Closing Victims

Birmingham, Ala.—Some 10,000 steelworkers are victims of layoffs and plant closings in the Birmingham area, and the AFL-CIO Human Resources Development Institute has been working with their union to help them get back on their feet—in a new job, if possible.

The first of a series of special workshops was a three-day program held at the Steelworkers Local 1013 hall in nearby Fairfield. U.S. Steel's Fairfield plant closed down, at least temporarily, after wave after wave of layoffs caused by subsidized imports as well as the recession.

HRDI EXECUTIVE Director Michael M. Arnold told the 425 workers at the opening session that helping laid-off workers is HRDI's highest priority. HRDI Field Coordinator Glen Cole worked with USWA District Director Thermon Phillips and local union officers in setting up the workshops. National staff experts from HRDI were on hand to develop a blueprint for the workshops and take part in the sessions.

HRDI is also developing a joint program with the Oil, Chemical & Atomic Workers that will provide services to OCAW members facing layoff. Two pilot HRDI/OCAW worker assistance workshops are scheduled in Kansas City, next month.

The first sessions, serving 120 workers being laid off from an Amoco facility in Sugar Creek, Mo., will be conducted Aug. 3-4. The second will be for some 350 workers at Phillips Petroleum Co. in Kansas City on Aug. 10111.

OCAW HAS negotiated benefit packages with both Amoco and Phillips that enable union members to participate in worker assistance activities while still on the payroll. Each workshop will be followed by a week of concentrated job search assistance.

At Birmingham, AFL-CIO Community Services Rep. Homer Harper presided at a session on coping with unemployment, dealing with matters such as mortgage payments, debts, health care, emergency assistance and unemployment compensation claims.

USWA Director Phillips spoke of the events leading up to the plant closings and stressed that the plant will reopen when there is a demand for its output, not because of union concessions. U.S. Steel is building a pipe plant at Fairfield, scheduled to open in 1984. But it will only employ a small portion of the displaced workers.

OTHER WORKSHOP sessions dealt with job preparation and job seeking suggestions, with the workshop staff including two former Steelworkers now associated with the University of Alabama who started new careers after having been laid off from Gary, Ind., steel mills.

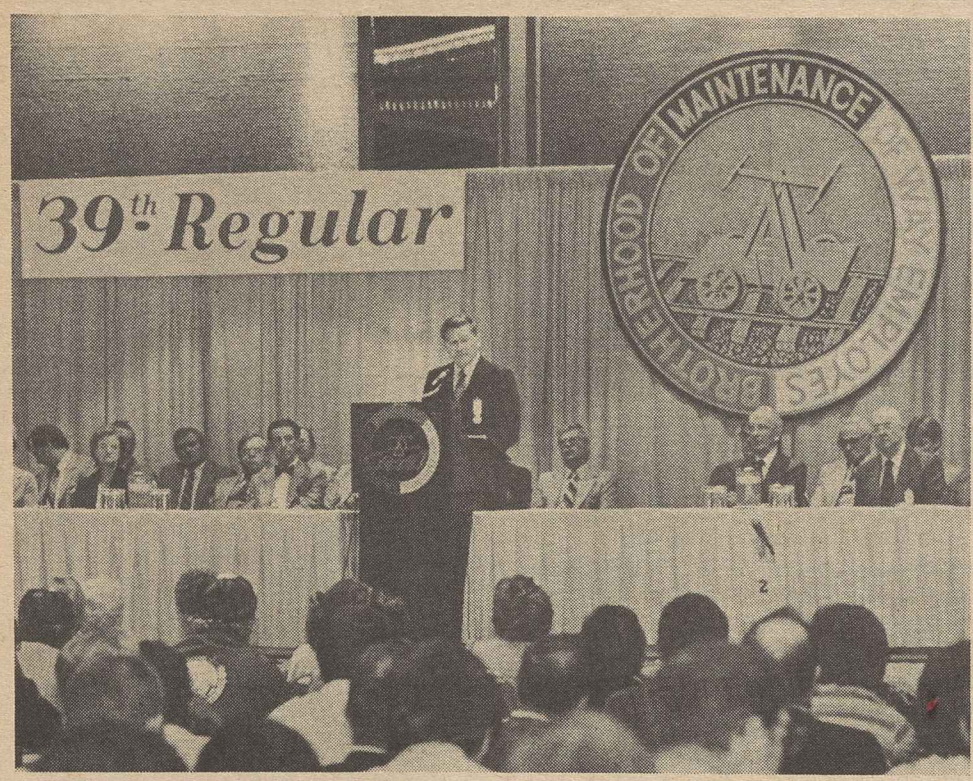
Local union officials briefed participants on their recall and pension rights under the union contract. Some of the more senior workers will be able to draw supplementary unemployment benefits for up to two years. But among the area's unemployed are victims of earlier layoffs who have exhausted their SUB and unemployment insurance benefits and are still unemployed.

For these workers especially, a representative of the Birmingham-Jefferson County Manpower Consortium discussed opportunities provided by the local Comprehensive Employment & Training Act (CETA) program.

HRDI IS ALSO working with the Steelworkers district office on an additional series of workshops next month for USWA members previously laid off from the Pullman-Standard plant in the Birmingham area.

As a prelude to individual follow-ups on the Fairfield workshops, participants were invited to complete a form listing their work history, occupational skills, education and interest in retraining.

Participants also received HRDI packets including a guide to job finding, information on local social services, college course and career assistance.



CONVENTION DELEGATES to the Maintenance of Way Employes 39th meeting in Vancouver, B.C., set policies for the union over the next four years. Ole M. Berge, at podium, was re-elected to his second four-year term by the 450 delegates representing the union's 120,000 active and retired members.

Rail Waymen Re-Elect Berge, Approve Canadian Autonomy

Vancouver, B.C. — Delegates to the Maintenance of Way Employes convention re-elected President Ole M. Berge to his second term and approved the preparation of a new autonomous organizational structure for Canadian members.

The 450 delegates, representing about 120,000 active and retired workers in the United States and Canada, elected Berge to a new four-year term over Sam E. Fleming, of Denver, a BMWE vice president. Geoffrey N. Zeh, the union's general counsel and research director was elected secretary-treasurer over incumbent B. L. Sorah.

Zeh, 39, joined the union's staff in 1975. He had formerly been an attorney with a Washington, D.C., firm representing rail labor unions.

THE DELEGATES approved the preparation and implementation of a plan that could lead either to the creation of an autonomous Canadian division of the union or to a separate Canadian union. The measure was approved by a voice vote with no opposition.

The union's constitution was amended to raise dues paid to the grand lodge from $5.25 to $6.25 a month or from $63 to $75 a year, effective in January 1983. Local dues are assessed separately.

In January 1984, and each year after that, grand lodge dues will be adjusted to reflect two-thirds of the average straight-time hourly rate for maintenance of way workers, based on Interstate Commerce Commission figures for the previous year.

THE CONVENTION also voted to increase the amount of grand lodge dues set aside for state and provincial legislative activities from 20 cents to 40 cents and increase the set aside for the strike fund from 25 cents to 50 cents.

Other measures called for:

- Stepped-up safety measures by federal and state agencies responsible for controlling the rail transport of hazardous materials.
- Low-interest government loans to railroads to finance track rehabilitation.
- Support of requests for additional funds by Amtrak and Conrail, the nation's passenger and freight rail carriers, to expand operations and improve services.

The union's constitution was also amended to provide for election of U.S. vice presidents and executive board members by delegates from their regions rather than by all U.S. delegates. Canadian vice presidents and board members are already elected by Canadian delegates only.

IN OTHER elections, Sam Fleming was re-elected as a vice president as were M. A. Christie, Kansas City; Frank H. Funk, Mineapolis, William E. LaRue, Downingtown, Pa.; and A. Passaretti and F. L. Stoppler, both of Ottawa, Ont.

B. L. Hall, of Barboursville, W.Va., was elected to succeed retiring vice president A. D. Arnett of Jacksonville, Fla.

Mrs. Lloyd R. Ernst of St. Johns, Mich. was re-elected president of the union's women's auxiliary which also held its convention in Vancouver.

Speakers at the convention included James Kennedy, executive assistant to AFL-CIO Sec.-Treas. Thomas R. Donahue; Fred A. Hardin, president of the United Transportation Union and chairman of the Railway Labor Executives' Association; William A. Dempsey, president of the Association of American Railroads; C. J. Chamberlain, labor member of the U.S. Railroad Retirement Board and Richard Calistri, the editor of Labor newspaper.

Auto Workers Add To Chrysler Holdings

Detroit—Some 65,000 members of the Auto Workers are among 91,000 Chrysler Corp. employees who will receive a total of 6,237,200 shares of Chrysler stock under an Employee Stock Ownership Plan.

Added to the 5,987,400 shares received under the plan a year ago, Chrysler workers now will own over 15 percent of the company's outstanding shares.

In 54-45 Vote

Senate Rejects Efforts To Ease Tax Inequities

The Senate turned down a labor-supported proposal to put a ceiling on next year's income tax cut and moved towards approval of a revenue bill that closes some business tax loopholes but imposes new burdens on the elderly and on consumers.

On the plus side, the Senate bill would curb some of the more outrageous giveaways of last year's tax bill, such as the leasing of tax credits which allows hugely profitable corporations to avoid paying taxes.

BUT IN A LETTER to senators, the AFL-CIO strongly protested features that add new inequities. These include higher out-of-pocket payments for elderly persons using health services covered by Medicare, cutbacks in funding for medicaid, family assistance and other income support programs, limitations on medical expense deductions, a new Medicare tax on federal employees, and higher excise taxes on cigarettes and on telephone use.

It also would take more money from workers who depend on tips and would widen the tax definition of independent contractors in a way that would deny workers protection of employment rights and federal wage, safety and civil rights standards, Legislative Director Ray Denison wrote senators before the vote.

The amendment that the Senate rejected by a 54-45 vote was sponsored by Sen. Bill Bradley (D-N.J.) and had been endorsed by the Senate Democratic caucus.

IT WOULD have restored the Medicare cuts and dropped the additional excise taxes, while still raising more revenue than the Finance Committee bill. This would have been done through a varient of the tax cut ceiling originally proposed by the AFL-CIO.

Under the Democratic plan, persons with incomes up to $46,500 would receive their full scheduled tax increase next year. For persons above that level, a gradually increasing portion of the increase would be "deferred" until such time as a balanced budget is achieved. Persons with incomes over $78,000 would have their entire tax cut deferred.

IN THE SENATE debate, Finance Committee Chairman Robert Dole (R-Kan.) conceded merit to the Democratic alternative but warned that any attempt to back down on income tax cuts scheduled for next year would surely draw a presidential veto. After defeating several Democratic amendments, the Senate then adopted a Republican "compromise" lessening the cutbacks in Medicare.

The House Ways & Means Committee, meanwhile, has begun work on a counterpart bill. Congressional action is required in order to raise approximately $21 billion in new revenue to meet budget targets set earlier this year.

In a related area, House and Senate committees split on whether to put a 4 percent cap on cost-of-living increases of retired federal and postal workers in order to meet budget targets.

The ceiling, which also applies to military personnel, was approved by the Senate Governmental Affairs Committee but was rejected by the House Post Office & Civil Service Committee. The Democratic majority on the House panel balked at what Chairman William D. Ford (D-Mich.) described as a "further squeeze on civil service retirees and surviving widows and children."

Republicans are expected to make another attempt to reimpose the ceiling when the budget reconciliation bill reaches the House floor.

The AFL-CIO Public Employee Dept. meanwhile called on Congress to reject the Medicare tax proposal, which would amount to a 1.3 percent reduction in federal and postal paychecks. At a PED news conference, Letter Carriers President Vincent Sombrotto stressed that government workers, covered by the Civil Service Retirement System, have their own comprehensive health insurance programs.

5 Youngsters Honored For Labor History Play

College Park, Md.—A drama performance on the 1911 Triangle Shirtwaist fire at the National History Day contest won five students from St. Peter's Junior High School in Joplin, Mo., a special labor history prize. They were among 1,100 finalists in national competition at the University of Maryland.

Winners of the award—Kelli Williams, Wendy Mall, Douglas Bower, Stacey Perkins and Adrienne McConigle—were presented a $250 cash prize by James Auerbach of the AFL-CIO Dept. of Education. Auerbach serves on the National History Day board of directors.

The National History Day project is designed to encourage students in grades 6 to 12 to explore historical subjects. This year's theme was trade and industry. The program is funded by the National Endowment for the Humanities and other groups, including the AFL-CIO.

Jobless Rise Roils Indiana Labor

Indianapolis—Political action and legislative goals were the keynotes of the Indiana AFL-CIO's biennial convention as delegates voted to increase per capita tax to bolster the state federation's programs.

The two-step increase totaling 10 cents will bring monthly per capita payments to 20 cents next Oct. 1 and to 25 cents effective Jan. 1, 1984.

THE DELEGATES approved resolutions condemning the economic policies of the Reagan Administration which have led to the nation's deep recession and they pointed to Indiana's high jobless rate, one of the worst in the country, as an example of the damage.

Delegates also scored the failure of Congress to extend unemployment benefits, noting that in the same week of the convention some 40,000 Indiana workers were cut off from unemployment benefits as a result.

AFL-CIO President Lane Kirkland told the convention that the Administration's economic program, which Reagan promised would "touch off great waves of business confidence, investment and economic growth," has generated "nothing but disaster."

While unemployment is the highest since the Depression of the 1930s, the nation is not looking ahead as it was then under President Franklin Roosevelt, Kirkland noted.

President Reagan's message is "that he intends to move this country back to the 1920s when the sole preoccupation of government was to enhance the fortunes of property owners and increase private wealth," Kirkland charged.

The Administration has set out to "destroy" vital programs such as social security, unemployment compensation, the minimum wage, the National Labor Relations Act and other "machinery put in place to protect ordinary people from the power of concentrated wealth," he said.

LIKE HERBERT HOOVER, President Reagan "tells us prosperity is just around the corner, if only we stop wasting money on public health, public education, public housing, and jobs and job training and all the other programs that foster a decent quality of life for plain people," he said.

The "giant leap backward" will not work, Kirkland said, because "we have one thing that we didn't have in the Hoover days: a strong and united labor movement."

The delegates endorsed Floyd Fithian who will oppose incumbent Republican Sen. Richard Lugar.

In his speech to the delegates, Fithian stressed that Lugar had voted for the elimination of the national trigger that would have continued extended benefits for the state jobless workers.

THE NOTICES of cancellation of benefits workers are receiving, Fithian said, "are really a message from Senator Lugar that says he does not care about their unemployment."

The delegates also endorsed incumbent Democratic Representatives Adam Benjamin, Philip Sharp, Lee Hamilton and Andrew Jacobs, Jr., and Democratic challengers for the state's six districts including Richard Bodine, Roger Miller, Allen Maxwell, Stephen Booney, Frances X. McCloskey and George Grabianowski.

Grabianowski is a former coordinator for the Clothing & Textile Workers successful boycott against the J. P. Stevens & Co.

Other speakers at the convention included AFL-CIO Civil Rights Director William Pollard, Community Services Director Walter C. Davis, COPE Director John Perkins and COPE Eastern VIP Director Ruth Colombo, as well as John E. Mara, the secretary-treasurer of the AFL-CIO Union Label & Service Trades Dept.

Reagan's Class Warfare

REAGAN ADMINISTRATION policies add up to class warfare against the disadvantaged, the poor and the working people of America. They put people out of work and aggravate inflation. They add to inequity, unfairness and divisiveness. These policies must be exposed, the damage minimized and the course reversed.

The Reagan economic program requires more sacrifice from those who have little, to give to those who already have much. It substitutes unrestrained market power for social responsibility and human concerns. It shortchanges sound economic growth by cutting back programs to achieve energy independence, rebuild the nation's transportation system, revitalize urban areas, and safeguard the environment.

Last year's indiscriminate budget cuts tore deeply into the safety net Americans have a right to expect. This year, the Congress has moved, feebly and haltingly, to repair that damage, only to be thwarted by the President's recurrent vetoes.

Among the most glaring examples was the President's veto of the $3 billion housing bill last month that stopped 250,000 houses from being built and 500,000 jobs from being created.

FULL EMPLOYMENT—a good job at decent pay for every American willing and able to work—remains a distant but persisting dream in 1982. In a sad commentary on the commitment of the nation expressed in the Humphrey-Hawkins Act to reduce unemployment to 4 percent by 1983, unemployment at 9.5 percent is more than double that promised goal.

The AFL-CIO calls on Congress to reverse the Reagan Administration's economic policies and to set the nation on a road to full employment and balanced economic growth.

We can hope for no remedy from an Administration still engaged in destroying jobs. The congressional override of the veto of the extension of the manufacturing clause in the copyright law offers some hope that the Congress may be becoming more sensitive to the human consequences of the loss of skills, the collapse of enterprises and the disappearance of job opportunities.

A tax program along the lines recommended by the AFL-CIO will raise $150 billion in revenue over a three-year period and will move the nation's tax structure closer to fairness and tax justice. And at all costs our federal tax must retain the essential progressive principle of ability to pay. It must not include such schemes as value-added taxes or one flat rate for everybody, regardless of income level.

THERE IS A ROLE for government in our lives—and indeed government is essential to a just and humane society.

We ask that Congress, now no longer blinded by the purported mandate of a new Administration, take a clear look at the protections essential to workers' lives as regards job safety and health, and to their standards through prevailing wage and child labor laws. We have sought judicial relief from some of the excess of executive fiat of recent days, and will continue to ask for safeguards in the marketplace and in the community as well as on the job site.

—From AFL-CIO President Lane Kirkland's testimony to the Joint Economic Committee of Congress, July 20, 1982.

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New Federalism 'Baloney'

Reagan Scorns Federal Role While Hailing Its Achievements

By Press Associates, Inc.

SOMETIMES IT IS hard to know which Ronald Reagan is President.

Is it the Reagan who welcomed the Columbia space shuttle back to earth in July 1982? Or is it the Reagan who wants to take the nation back to the 18th Century—back to the Constitution, as he says, through his "New Federalism?"

The President recently left the White House and traveled 33 miles to the port city of Baltimore to unveil his latest pared-down version of New Federalism.

While the President's basic purpose was to address the National Association of Counties on New Federalism, he was taken on a tour by an exuberant Mayor Donald Schaefer.

Schaefer had good reason to show off the revitalized Inner Harbor area and other accomplishments of the downtown renewal area.

BUT IF REAGAN was impressed in his whirlwind tour of the downtown area, it was not in the way he expected. Wherever Reagan went, the federal presence was evident.

The President visited a bindery in the Park Circle Industrial Park, where 40 low-income people are trained.

Reagan mentioned to reporters that the bindery was an example of what could be done without federal help.

But then the President was informed that the federal Economic Development Administration helped create the industrial park in cooperation with state and local government and groups.

THE JOB TRAINING program also was set up with Labor Dept. funds through CETA. The Reagan Administration tried to abolish EDA and CETA dies in September.

From an observation deck in the renewed Inner Harbor, the mayor called Reagan's attention to the many new government and private office buildings built with the stimulus of federal funds.

All of this should have been healthy reality therapy for Reagan. However, in his speech to the convention Reagan persisted in denouncing the federal government.

There seems to be a problem because Reagan has a wrongheaded notion of how the United States developed.

When Reagan first floated his "New Federalism" idea in his inaugural address, he asserted that "the federal government did not create the states; the states created the federal government."

Historians quickly corrected him. The Constitution, they noted, clearly says "We, the People of the United States" created the nation, not the states.

EVEN A MEMBER of Reagan's own party couldn't stomach the President's view of history and his exaggerations.

Sen. David Durenberger (R-Minn.) also addressed the NACO convention and alluded to Reagan's basic premise this way: "That the national government usurped its powers from its creators in the states is, of course, baloney."

The fact is, Durenberger related, state and local officials looked to Washington for help because they lacked the resources to deal with economic growth and decay in the postwar boom. Since then, he said, state legislatures have been reapportioned, constitutions updated, tax sources broadened and administrative competency improved. Counties and cities, however, still lack the resources to meet their needs, Durenberger said, and that is why they will not be able to handle the federal programs Reagan wants to turn over.

The latest version of New Federalism would turn over 35 programs to the states, chief among them the basic welfare program, Aid to Families with Dependent Children.

THAT'S WHAT may have bothered Durenberger. He said Reagan's proposal raises a major issue: "Does this Administration—does my party—care about the poor? Is the New Federalism a smokescreen for a repeal of the New Deal? Is private sector initiatives a fig leaf to cover a lack of compassion?"

The Reagan Recession is proof enough that national policies and paralysis have created national problems. Unemployment has soared to 12 million. The federal budget cuts—which Durenberger voted for—have fallen most heavily on the poor and working poor. The economic and social misery are now reaching deeply into the middle class.

Yet the President is trying to escape responsibility and abdicate the federal role in favor of states' rights which never existed.

MEMO FROM COPE

The Senate in '82: *Dems Run Afoul of Arithmetic; Economy Imperils Republicans*

Both political parties—and thousands of non-party political action committees, including labor PACs—seeking prophecy on 1982 U.S. Senate elections, are reading tea leaves . . . with one eye.

The other eye is scanning horizons beyond 1982 to 1984, and even to 1986 Senate races. (See accompanying story.)

Neither party really expects a substantial Senate shift as a result of November 2 balloting. Both parties speak of a possible swing of two or three seats, each claiming the swing is heading in its direction. Big changes either way are unlikely.

Democrats hedge their bets by pointing out that it doesn't take an Einstein to figure their chances for any significant gains are slight. The arithmetic of 1982 stands in their way. There are 33 Senate seats up for election. Democrats hold 19 of them, Republicans 13. (One is Virginia Sen. Harry Byrd's, an independent who does not seek re-election.)

The GOP controls the Senate, 54-45 (plus Byrd). For Democrats to take control as of next January, they'd have to win 25 out of 33 contests. Now and then, a good ball club hits a hot streak like that. Seldom does a political party.

On the other hand, only Republicans wearing the rosiest of rose-colored glasses expect, in their heart of hearts, much to cheer about November 2. If there is continued gloomy economic news and a further disillusion among voters with the Reagan program that is already showing up strongly in the polls, GOP incumbents know they'll pay a price.

There are incumbents in both parties who face tough races for a variety of reasons—more Democrats than Republicans. Targeted for the full treatment by GOP committees and corporate and right wing PACs are such labor-backed incumbent Democrats as George Mitchell (Maine), Paul Sarbanes (Md.), Howard Metzenbaum (Ohio), Jim Sasser (Tenn.), Minority Leader Robert Byrd (W.Va.), Don Riegle (Mich.), Quentin Burdick (N.D.), and others.

A hard race is anticipated, too, for four incumbent, ultraconservative Republicans: Orrin Hatch (Utah), chairman of the Labor Committee; Richard Lugar (Ind.), former President Nixon's "Favorite Mayor" (of Indianapolis back then) and one of President Reagan's favorite senators; Harrison Schmitt (N.M.), and Malcolm Wallop (Wyo.)

On the official AFL-CIO scorecard, their voting records through 1981 are among the worst in the entire Senate—Hatch, 90 percent "wrong"; Lugar, 94 percent "wrong"; Schmitt, 83 percent "wrong"; Wallop, 89 percent "wrong."

Both parties are probably right—there's likely to be a swing in seats next November, but a small one. It's still anybody's guess in which direction.

297 Per Hour

The Reagan-Republican-Recession began in July 1981.

In its first 12 months—through June 1982—unemployment soared from 7.8 million to 10.4 million, an increase of 2.6 million jobless workers.

There are 8,760 hours in a year. Divide 8,760 (the hours) into 2.6 million (the newly-jobless in the first year of the Reagan-GOP-Recession).

Answer (rounded off): 297.

Around the clock, for every single hour of every single day in the first year of Reagan-GOP slump

297

workers joined the ranks of unemployed

. . . but Beyond '82?

Beyond 1982 loom all kinds of interesting possibilities in 1984 and 1986 Senate races, and both parties are already looking that far ahead—counting, planning and praying.

To begin with, the arithmetic of 1982 that smiles broadly upon Republicans and favors them at least to retain control of the Senate, goes topsy-turvy on them in 1984 and again in 1986.

This year, 19 Democratic and 13 Republican seats are up. In 1984, it turns around, with 19 GOP and 14 Democratic seats at stake. In 1986, an even bigger spread: 22 GOP-held seats will be up, only 12 Democratic seats.

As important as the numbers is the nature of many of the GOP incumbents going before voters in 1984-86. The majority of first-term right-wingers, who've been collecting in the Senate will have to face the voters. These were the beneficiaries of—and in most cases the creatures of—the richly financed ultra-conservative PACs that sprouted in the past six years.

There are 19 of these in the Senate. Four seek re-election this year (see story above). A fifth, Sen. S. I. Hayakawa (Calif.), is retiring from office.

Five more come up in 1984, and the huge right-wing Class of 1980 goes to the well again in 1986.

This grouping (the Gang of 19, if you want to get dramatic about it) has formed a solid rock of support for the Reagan economic program. Under its uncrowned leader, Jesse Helms (N.C.), it holds ideological control of the Senate.

Most of its members are—or have been often in the past—push-overs for right-wing PACs that need a senator's signature on a fund-raising letter to the faithful. Many of these letters use unions as a whipping-boy.

They are the core support for stiffening the Hobbs Act to include strikers; for weakening or repeal of the Davis-Bacon provisions that protect building and construction workers' wages and standards; for a national compulsory open shop law; for depriving public employees of union rights; for a so-called "management rights" measure that would nullify the protections of the Wagner Act.

To get a notion of how damaging this "Gang of 19" ultra-right senators has been—and can be—their aggregate AFL-CIO voting record is 72 "right" votes, 961 "wrong" votes—an over-all 93 percent "wrong" record. Following is the year each faces re-election and the official AFL-CIO voting record of each through 1981.

Senator/State	Right-Wrong Votes	Percent Wrong
1982		
Richard Lugar, Ind.	6-89	94% wrong
S. I. Hayakawa, Calif.*	13-78	86% wrong
Harrison Schmitt, N.M.	15-74	83% wrong
Orrin Hatch, Utah	9-83	90% wrong
Malcolm Wallop, Wyo.	10-84	89% wrong
1984		
Wm. Armstrong, Colo.	1-53	98% wrong
Roger Jepsen, Iowa	4-51	93% wrong
Rudy Boschwitz, Minn.	7-50	88% wrong
Jesse Helms, N.C.	15-141	90% wrong
Alan Simpson, Wyo.	1-55	98% wrong
1986		
Jeremiah Denton, Ala.	2-17	89% wrong
Steve Symms, Idaho	1-15	94% wrong
Dan Quayle, Ind.	0-19	100% wrong
Charles Grassley, Iowa	1-17	94% wrong
Cus D'Amato, N.Y.	4-14	78% wrong
John East, N.C.	2-17	89% wrong
Don Nickles, Okla.	1-18	95% wrong
James Abdnor, S.D.	1-18	95% wrong
Robert Kasten, Wis.	3-16	84% wrong
AGGREGATE	**72-961**	**93% wrong**

**Retiring*

Odds 'n Ends

MEGA-BUCKS for Republicans, mini-bucks for Democrats (by comparison) revealed in figures recently released by Federal Election Commission. Covering period Jan. 1, 1981 through March 31, 1982, FEC report shows three GOP committees—national committee, senatorial and congressional campaign committees—raking in $120 mllion, while their three Democratic counterparts raised little more than one-tenth as much, $13 million. It won't translate out that way in every House and Senate election—but imagine the impact of a 10-1 money margin for one candidate over another. Scary!

JOBLESSNESS IN INDUSTRY and services has its equivalent among farmers and small business people. Dun and Bradstreet reports that business failures in first six months of this year exceeded total of entire year 1981. In all, 11,948 businesses went broke January through June. In rural America, today's economic figures could have been taken right out of the history of the Great Depression. Farm parity, at 91 percent 10 years ago, now at 58 percent, same as in 1932. Net farm income measured in 1967 dollars is projected at $11 billion for 1982. It was $12 billion (again in '67 dollars) in 1929. The number of farmers forced off the land is more than 1,000 per week for 1982, similar to the exodus of the 1930s. It's Reaganomics at work.

AFL-CIO News

Vol. XXVII | Saturday, July 31, 1982 | No. 30

LEGISLATIVE ALERT!
PAGE 16

CHINATOWN GARMENT WORKERS in New York turned out more than 15,000 strong for a march and rally protesting attempts by employers to force workers to accept contracts inferior to the 1982 industry-wide agreement signed by the Ladies' Garment Workers and employer associations. Within hours after the march that had been called by ILGWU Local 23-25 in response to a two-day lockout by the employers, all Chinatown contractors had signed agreements with the union. **(Story on Page 13.)**

Union-Busting Fund Given Eligibility for U.S. Charity Drive

By David L. Perlman

Unions whose members give generously to the federal government's once-a-year charity drive are outraged at the inclusion of the National Right to Work Legal Defense Fund in this year's Combined Federal Campaign and will meet to shape labor's response.

AFL-CIO President Lane Kirkland termed the Reagan Administration's designation of the anti-union organization as an eligible charity "unconscionable." It "mocks the humanitarian mission" of the federal campaign, he charged.

KIRKLAND INVITED leaders of 32 AFL-CIO and five unaffiliated unions representing a total of 1.3 million federal and postal workers to meet with him Aug. 2 in New York, prior to the AFL-CIO Executive Council session.

The Combined Federal Campaign raised nearly $100 million last year in payroll deductions and cash contributions from federal and postal employees and the military. National organizations seeking to qualify for locally conducted fund drives in federal agencies and installations must first be approved by the director of the President's Office of Personnel Management.

OPM Director Donald J. Devine, who is a former consultant to the right-to-work group's legal foundation, gave a warm public welcome to the National Right to Work Legal Fund and a group of other right-wing organizations accepted for federal fund raising at the same time.

GOVERNMENT employees will be encouraged to earmark their contributions to the charities of their choice, he said, and the widened participation in the solicitation of funds shows the "spirit of voluntarism" espoused by President Reagan "is alive and well."

The administration had clear warning that making a union-fighting group eligible to share in proceeds of a charity collection could endanger the government fund drive which includes community United Way agencies, national health organizations and international service groups.

AFL-CIO Community Services Director Walter G. Davis wrote to the chairman of the advisory board screening applications for participation in the Combined Federal Campaign of labor's strong objections to the Right to Work legal fund.

Davis expressed the AFL-CIO's concern that inclusion of such a "highly controversial and political group" would be detrimental to the goals of the campaign.

THE TWO employee representatives on the advisory panel—President Moe Biller of the Postal Workers and Erie Doyle of the unaffiliated National Alliance of Postal & Federal Employees——were outvoted by the four Administration management officials. Devine, who had the final say, issued a statement that he was "pleased to welcome into the Combined Federal Campaign such conservative organizations."

The newly eligible national organizations have until Aug. 9 to apply to par-

(Continued on Page 14)

Child Labor Rules Seek Cheap 'Kiddy Workers'

By Susan Dunlop

The Reagan Administration's scheme to cut back child labor protections will create a pool of cheap "kiddy" labor for the benefit of the most notorious violators of fair labor standards and wipe out jobs for older workers, AFL-CIO Sec.-Treas. Thomas R. Donahue told Congress.

The Labor Dept.'s proposals to relax longstanding age and work standards for 14- and 15-year-old children "marks a sad moment in our nation's history and a stain on the record of the agency that was created to protect workers, not exploit workers' children," Donahue told the House Labor Standards subcommittee.

THE PROPOSED revisions to Fair Labor Standards Act regulations, include provisions to let 14- and 15-year-olds work as late as 9 p.m. on school nights and to 10 p.m. on other nights, up from current curfews of 7 and 9 p.m., respectively. The number of hours these children would be allowed to work during school weeks would rise from 18 to 24, and the maximum hours in any one school day would go from three to four.

Young teenagers would also be permitted to take jobs in industries previously decreed too hazardous for them, including cooking and baking, laundry and dry cleaning and some processing operations.

Labor Sec. Raymond J. Donovan is also seeking authority to grant individual exemptions from the standards. And the department wants to drop the requirement that employers reapply annually for certification to pay full-time students subminimum wages.

IF DONOVAN succeeds in these efforts, Donahue asserted, the labor market will be flooded with young workers who "will not only displace their older brothers and sisters, but also their mothers and fathers."

Donahue pointed to June jobless figures showing 10.4 million Americans out of work, including 1.8 million in the 16- to 19-year-old category with the figures for black teenagers even worse.

"If the Administration is going to cre-

(Continued on Page 13)

Westinghouse Unions Score Breakthrough

Pittsburgh—Unions representing some 30,000 workers at the Westinghouse Electric Corp. reached tentative agreement on new three-year contracts just before a company-wide strike was to start.

The 11th-hour settlement, which in several respects closely tracks the unions' settlement earlier this summer with General Electric Co., came on July 25, a half hour before a midnight strike deadline.

THE ACCORD between Westinghouse and three unions—the Electrical, Radio & Machine Workers, the International Brotherhood of Electrical Workers, and the unaffiliated United Electrical Workers—provides for wage increases, a new contributory pension plan, job-security improvements, and increased insurance benefits.

The three unions bargained as part of a 13-union Coordinated Bargaining Committee, which approved the settlement. IUE represents the largest number of Westinghouse employees, about 15,000

(Continued on Page 2)

Real Earnings Decline 1.2% in June

By James M. Shevis

The purchasing power of American workers shrunk by 1.2 percent in June as consumer prices rose at a double-digit annual rate for the second month in a row, the Bureau of Labor Statistics reported.

The real, or inflation-adjusted, earnings of the typical nonfarm production worker averaged $167.44 a week in June, even though gross earnings were $266.57. The respective figures in May were $168.41 and $266.99.

BLS SAID that a one-tenth of 1 percent increase in average hourly earnings was offset by a three-tenths of 1 percent drop in the length of the average workweek and a full 1 percent rise in consumer prices. Real earnings, which declined two-tenths of 1 percent in May, last month were 2.1 percent below the year-earlier level.

Almost two-thirds of the June rise in the goverment's consumer price index was caused by higher prices for gasoline and house prices. Gasoline prices rose a seasonally adjusted 5.4 percent over the month while house prices increased an adjusted 2.3 percent.

The 1-percent June rise in the CPI compared with an increase of nine-tenths of 1 percent in May, and translates to a 13.3-percent compounded annual rate of inflation.

Rising homeownership costs accounted for about three-fourths of the 1-percent increase in the CPI's housing component last month, with prices for houses rising sharply. Some economists speculated that buyers are paying more for houses in exchange for more favorable financing terms, a view supported by a 1-percent decline in mortgage interest rates in June.

THE SPURT IN gasoline prices over the last two months was caused by the evaporation of the oil glut earlier in the year. Recent gasoline price reports indicate the July CPI will not be driven up by energy costs as in May and June. Several major oil refiners in recent weeks have cut slightly the price they charge gasoline dealers and middlemen who distribute the fuel.

New and used cars rose six-tenths of 1 percent and two-tenths of 1 percent, respectively, over the month. BLS said that

(Continued on Page 14)

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7/31/82

Move to Weaken Health Facility Rules Assailed

The AFL-CIO lodged a strong protest to Reagan Administration attempts to weaken inspection and certification standards that health care facilities must now meet to get Medicare and Medicaid funds.

Federation President Lane Kirkland called the proposals "inadequate, unworkable and unacceptable alternatives to public enforcement of health and safety standards" in a letter to Carolyne Davis, administrator of the Health Care Financing Administration.

THE MAIN changes sought by the Administration would reduce the frequency of inspections for long-term facilities such as nursing homes and eliminate the current requirement that state inspectors personally follow up investigations of facilities that have been found deficient.

The Administration wants to drop the clause that calls for automatic cancellation of a facility's right to participate in Medicare and Medicaid if deficiences are not corrected in a certain time.

The rule changes would also permit certification decisions to be based solely on evaluations by private agencies, such as the Joint Commission on Accreditation of Hospitals, and drop the requirement that state agencies conduct examinations.

IF THE CHANGES are adopted, Kirkland warned, "they would turn back the clock on years of progress we have made in reducing fraud and abuse of elderly and disabled patients."

Kirkland pointed out that the proposals could also "ruin the entire state compliance system" if they are piled on top of budget cuts local certification agencies have suffered, some as much as 40 percent.

Similar changes in the administration of the Occupational Safety & Health Act already have shown that weakening "system-wide" monitoring has not been effective in finding and reducing safety hazards, Kirkland said.

STATES SHOULD continue to closely monitor the quality of patient care in long-term facilities, Kirkland said, stressing that such an important function should not be delegated to private groups "that are not accountable to the public at large," and have little experience in monitoring long-term facilities.

Kirkland pointed to a nationwide study of nursing homes done by the AFL-CIO in the 1970s which found cases of gross negligence, inadequate staffing and serious health and safety violations.

Conditions have improved in some facilities, he said, but "if the proposed rules are adopted our most vulnerable citizens could again be victims of lax or unscrupulous nursing home operators."

HE POINTED out that the federation was joining with the Coalition for Nursing Home Reform in opposing the changes.

In expanded comments on the changes sent with Kirkland's letter, the AFL-CIO took issue with HCFA's statement that current regulations are "cumbersome and expensive to administer" and objected that the rule changes "are designed to achieve budgetary savings at the expense of program beneficiaries."

In a separate letter to Health & Human Services Sec. Richard S. Schweiker, AFL-CIO Social Security Director Bert Seidman said the federation objects to changes HHS wants to make in requirements hospitals must meet to be eligible for federal funds for construction projects.

CURRENT regulations obligate health care facilities that want money under the Hill-Burton Act to agree to provide certain amounts of free or low cost care to the medically indigent, Seidman noted.

The Administration's proposals, he said, would drop the rule requiring hospitals to carry over any "unmet obligations" to the next year. The requirement that hospitals must publicly post the availability of the services or provide individual written notice to potential beneficiaries would also be scuttled.

Seidman stressed that these proposed changes would result in less care delivered to people who need it and at a time when rising unemployment is taking away health care protection from many workers and their families.

"For the most part," Seidman said, "these workers have never been without health insurance and would not know of the availability of free care and their entitlement to it unless they are personally notified."

Unions Score Breakthrough For 30,000 at Westinghouse

(Continued from Page 1)

nationwide. IBEW represents some 12,000 workers, UE another 3,700. The settlement is expected to set the pattern for an additional 9,000 workers represented by the other unions in the CBC.

Union officials, including IUE President David J. Fitzmaurice, termed the agreement "outstanding."

"DESPITE THE concession fever sweeping the country," Fitzmaurice said, "we have won a progressive contract, with solid gains for the people we represent and no concessions."

The unions credited the talks' success to the cooperation achieved through CBC cooperation. "None of us could have done this alone," said Fitzmaurice.

"The solidarity and cooperation of the different unions, in the face of heavy deadline pressures, was the key," he said.

IBEW President Charles H. Pillard said, "We are pleased that in today's economic environment the Westinghouse negotiations have resulted in a good, positive agreement without concessions. It lays to rest the difficult questions of pension plan funding and benefits which caused a strike three years ago."

Members of the three unions will begin voting on ratification of the pact with an Aug. 1 deadline for the IUE, Aug. 9 for the IBEW, and Aug. 26 for the UE.

IN WAGES and job security protection, the Westinghouse agreement generally matches last month's GE settlement. An initial wage hike of 7 percent retroactive to July 12 would be followed by 3-percent increases in the second and third years.

Cost-of-living increases are 1 cent an hour for each two-tenths of 1-percent rise in the consumer price index effective Jan. 10, 1983, and 1 cent an hour for each 0.175-percent increase in the CPI effective July 11, 1983, Jan. 9, 1984, July 9, 1984, and Jan. 7, 1985.

Over the life of the contracts, wage increases and cost-of-living adjustments are expected to boost average hourly earnings $2.10. In addition, special increments for hourly employees earning more than $8.35 will be applied immediately.

THE MAJOR stumbling block in the negotiations had been pensions. The unions struck Westinghouse for seven weeks in 1979 to keep a pension plan under which the company paid the entire bill for retirement benefits.

Under the new contracts, employees participating in the contributory plan would chip in 3 percent of their earnings above $14,700 a year. Basic monthly benefits would rise immediately to a range of $14 to $17.50 per year of service, and to $14 to $19.50 in 1984. The formula for benefits would be based on earnings for the final three years of employment.

On job security, the parties already had negotiated in the previous contracts some of the gains made at GE this year, such as advance notice of plant shutdowns, early retirement for those affected by plant closings, and additional severance pay in the event of a plant shutdown. The Westinghouse contracts now match the GE agreements in job security, and extend the protections to those workers adversely affected by product line relocations and job movement.

OTHER CONTRACT improvements increase catastrophic medical insurance from $350,000 to $500,000, add psychotherapist expenses to the list of covered medical expenses, increase benefits under prescription drug plans for retirees, and add to dental coverage.

Members of the Coordinated Bargaining Committee are the IUE, UE, IBEW, Flint Glass Workers, Plumbers & Pipefitters, Steelworkers, Machinists, Allied Industrial Workers, Sheet Metal Workers, Firemen & Oilers, Carpenters, Auto Workers and the unaffiliated Teamsters.

Rate Hike Sought On Insurance for Pension Benefits

The Pension Benefit Guaranty Corp. has asked Congress to increase the annual premium for termination insurance on single-employer pension plans to $6 per participant.

The present rate is $2.60 a year, and the program is running a deficit that could rise substantially if the bankruptcy of Braniff Airways forces a termination of its pension plan.

Edwin Jones, the agency's executive director, said the higher premium amounts to only one-tenth of 1 percent of all employee benefits and less than 1 percent of pension costs. The agency insures some 90,000 single-employer plans, covering about 28 million participants.

At recent Senate hearings, Steelworkers Legislative Director John J. Sheehan supported the agency's position and the increase in the premium rates. But he warned strongly against employer efforts to use the need for a rise in the insurance premium as a "bargaining chip" to cut back worker protections under the pension guaranty program.

Sheehan said an immediate rate increase is needed because of "the dire state of the economy," which has resulted in heavy drains on private pension plans.

The agency's last previous increase in premiums was in 1977. Its proposed rate increase would not affect multi-employer pension funds.

Newspaper Ads Fail Test As Tally of Job Openings

Cambridge, Mass.—Contrary to President Reagan's off-the-cuff pronouncements, the want ads are no way to tell how many jobs are available, according to an economist at Massachusetts Institute of Technology.

Based on studies of the relationship between the unemployment rate and data on the known number of job vacancies since 1964, economist Katherine G. Abraham has concluded that there are only about one million jobs open today stacked up against well over 10 million Americans who are jobless and seeking work.

The ratio could range from seven workers available for every vacancy to as high as 15 workers for each slot, Abraham says.

She said the figures contradict "those who asserted that the number of vacant jobs was large relative to the number of persons seeking work."

Abraham pointed in her study to a March 1981 comment by Reagan on "many pages of want ads" suggesting that the unemployment problem "may reflect programs which encourage people to delay taking jobs rather than a scarcity of employment opportunities."

She also noted that the Conference Board Help Wanted Index, based on a monthly compilation from 51 newspapers, indicates that the number of classified ads is also dropping.

Hard-Rock Miners Win Bid To Regain Safety Coverage

Federal protections for hard-rock miners are back with the Mine Safety & Health Administration after a rider tacked to an appropriations measure ended seven months of confusion over enforcement jurisdiction.

The labor-backed amendment to the urgent supplemental appropriations bill cancelled an earlier rider and made it clear that inspection and enforcement of standards at sand, stone, gravel and other non-coal mines and at surface construction projects at mine sites is the job of MSHA —not the Occupational Safety & Health Administration.

THE EARLIER measure, attached to the Dec. 1981 continuing resolution, had barred MSHA from using any of its funds to inspect the non-coal operations.

OSHA reluctantly stepped in since its authorizing law includes a general requirement to inspect any workplace in private industry not covered by other federal law.

AFL-CIO Occupational Safety Director George H. R. Taylor applauded the amendment, noting that MSHA regulations and enforcement are more thorough than most OSHA standards. He pointed out that surface mining is "one of the deadliest areas" of the industry with a high rate of fatalities.

THE MOVE is particularly welcome, Taylor said, since the number of inspections of surface mines had dropped to only 17 during the period OSHA had the jurisdiction from some 1,700 inspected annually under the mine safety jurisdiction.

Taylor pointed out that the crippling amendment passed in 1981 was part of an ongoing attempt pressed by the industry to completely shift surface mining jurisdiction to OSHA.

Steelworkers Legislative Director John Sheehan, whose union represents the largest number of hard rock mine workers, said that inspections dropped dramatically when MSHA was excluded from making its inspections because OSHA was unsure of its jurisdiction.

THE AGENCY, he said, did not have the standards, the expertise or the personnel to handle the surface mining job, and as a result only came on the scene to investigate after a fatality.

Sheehan praised Rep. William Natcher (D-Ky.) for leading the fight to get the clarifying amendment through the legislative process despite strong opposition.

Cement, Lime & Gypsum Workers President Thomas F. Miechur said he was pleased "that Congress at least momentarily has stopped the yo-yo effect" and made it clear that his union's members in the industry had all the protections under the stronger act.

Two previous versions of the MSHA-OSHA provision had failed when President Reagan twice vetoed urgent supplemental resolutions needed to provide funds to keep the government operating. Finally, Reagan signed a third bill and MSHA's authority was restored.

'You Are Not Alone'

Rally by Senior Citizens Stresses Link with Labor

Detroit—Thousands of older Americans, many of them retired union members, demonstrated against Reaganomics at a Kennedy Square rally here that highlighted the 16th convention of the National Council of Senior Citizens.

The rally was organized with the help of the Auto Workers Retired Workers Dept., and the strong link between the goals of the trade union movement and the NCSC was a central theme.

"YOU ARE NOT alone," AFL-CIO President Lane Kirkland told the 5,000 protesters in words that recalled last year's massive Solidarity Day march in Washington, D.C.

"Our unions care as much about their members who are retired or unemployed as they do about their working members," he stressed. "Our goal is to make life more secure and more rewarding for all, at every stage of the human journey."

Kirkland spoke of America's debt to the "Depression generation" that elected a Franklin D. Roosevelt and Congresses that established social security, the minimum wage, the National Labor Relations Board and "all the rest of the machinery that was put in place to protect ordinary people from the power of concentrated wealth and ensure that no future generation would suffer the same ordeal."

AND HE SPOKE of the threat to these achievements posed by the Reagan Administration, urging:

"As we marched last September on Solidarity Day to protest the Reagan program, let us march again on Election Day to change that program—and to restore human concerns to the councils of government."

Auto Workers President Douglas A. Fraser, who spoke at both the rally and the convention banquet, asked for, and enthusiastically got, the support of the seniors for the auto content law the UAW is seeking to require that vehicles sold in large quantities in the United States be primarily built in this country with U.S. parts.

"We are all hurt by unemployment," Fraser stressed. "Both the workers who suffer the loss of wages and the retirees whose social security benefits are threatened when payroll tax receipts drop and the trust funds get dangerously low."

IN CONVENTION action, delegates took a strong stand against the proposed constitutional amendment to require a balanced budget. They termed the drive for its enactment "a clearcut attempt to tamper with the Constitution for purposes of political gain."

Service Employees Sec.-Treas. Richard Cordtz, whose union represents many of the staffs of hospitals, nursing homes and clinics, expressed concern at the retrenchment in medical and health services.

The "dramatic improvements" in health care delivery of the past 20 years are threatened by cutbacks, he warned.

NCSC PRESIDENT Jacob Clayman, who was re-elected to a new two-year term, said the "human heart" of government has been replaced by an Administration that shows "a hard frozen face to the elderly, to the poor, to the sick, to the workers, to the unions . . . indeed, to everybody but the rich."

Evelyn Dubrow, vice president and legislative director of the Ladies' Garment Workers, received a special award from the NCSC as "an effective and eloquent spokesperson on our side." Also honored at the convention were Sen. Donald W. Riegle, Jr. (D-Mich.) and Rep. Phillip Burton (D-Calif.)

TWO SENIOR citizen champions in Congress were among the speakers at the Kennedy Square rally, Rep. Claude D. Pepper (D-Fla.) and Sen. Howard M. Metzenbaum (D-Ohio).

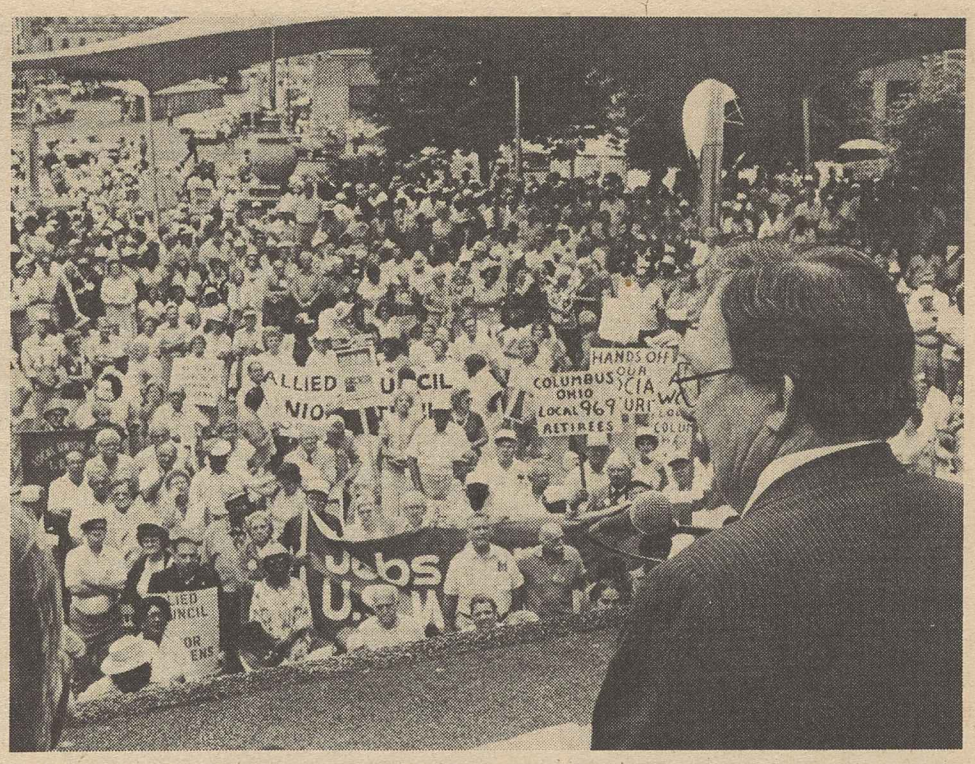
Pepper, chairman of the House Committee on Aging, recalled that Franklin Roosevelt "gave the people food and help" when he came into office. But "the first thing Reagan did was give his rich cronies $750 billion in tax reductions over the next five years."

And NCSC Executive Director William R. Hutton said the rise in Medicare deductibles and premium costs means that many elderly people "just won't be able to afford to visit a doctor."

AT THE RALLY, many of the elderly participants carried placards challenging the Administration's cutbacks in social progress and services.

Six soup kitchens were set up at the rally site, and "Depression-era bean soup" was served by members of the UAW Retired Workers Dept.

In addition to convention delegates and local retirees, some 60 busloads of seniors came in chartered buses from other locations in the Midwest.



SENIOR CITIZENS protesting the Reagan Administration's attacks on social security, Medicare, Medicaid and other vital programs rallied in Detroit's Kennedy Square. AFL-CIO President Lane Kirkland told the demonstrators that unions are deeply concerned about retired and unemployed workers. The demonstration was organized by the National Council of Senior Citizens during its convention in Detroit and the Auto Workers Retired Workers Dept.

Two Affiliates Merge to Form Aluminum, Brick, Glass Union

Jacksonville, Fla.—A merger agreement creating the 70,000-member Aluminum, Brick & Glass Workers International Union was ratified here by convention delegates representing two AFL-CIO affiliated international unions.

Meanwhile, the Pottery Workers were holding a special convention in Hollywood, Fla. to consider merging the 11,000-member union with the 80,000-member Glass Bottle Blowers.

The new union is a consolidation of the Aluminum, Brick & Clay Workers and the Glass & Ceramic Workers. The ABC was formed in September 1981 by the merger of the Aluminum Workers and the Brick & Clay Workers.

THE MERGER was overwhelmingly approved in a referendum vote of the UGCW membership in late June and by the unanimous vote of delegates to an ABC special convention July 27. The consolidation is effective Sept. 1.

Under the agreement, former ABC President Lawrence A. Holley and Sec.-Treas. H. Max Webster will be the principal officers of the merged union. Former UGCW President Joseph Roman will be the executive assistant to the president and former UGCW Sec.-Treas. Joseph Stanzione will be assistant secretary-treasurer. Roman and Stanzione, along with former UGCW executive vice president Wayne Yarman, also were appointed vice presidents of the newly formed organization and seven other vice presidents were elected by the UGCW delegation.

The executive board of the Aluminum, Brick & Glass Workers will consist of 31 members, and will remain at that number until the 1985 convention, when it will revert back to 17 members.

IN ADDRESSES to the merger convention, Holley and Roman pledged the support of all local unions and expressed their aims to provide better membership service and more participation in the labor movement. They also reaffirmed the dedication of their staff to organize the unorganized.

"This merger and the previous merger of the Brick & Clay Workers with the Aluminum Workers will allow us to reestablish programs that are vital to the membership of the three former organizations," President Holley said. "We will immediately start working on these programs."

The Aluminum Brick & Glass Workers will be headquartered in Bridgeton, Mo., near St. Louis. The union is planning a constitutional convention for next summer.

Telegraph Workers Win 31% Wage Hike

Denver—Negotiators for Western Union employees represented by the Telegraph Workers hammered out a tentative, contract which would increase wages and benefits of some 9,000 members by 31 percent over the next three years.

The settlement came 90 minutes after the UTW called a strike against Western Union, the principal subsidiary of Western Union Corp. The walkout gained workers an extra 1 percent pay hike, UTW reported.

Telegraphers President Richard C. Brockert, the union's chief negotiator, termed the agreement "a very good contract, and we're recommending that members ratify it."

Results of a mail ballot are expected to be known within 30 days, he said.

Twenty-two percent of the package is earmarked for across-the-board wage increases, 8 percent the first year, 7 percent the second, and 7.1 percent in the final year.

Gerald Kent, the company's chief negotiator, called the agreement "equitable and reasonable." The company's profits totaled $69.6 million in 1981, its best year ever.

AGREEMENT HAD not yet been reached with the Communications Workers, which represents 900 Western Union employees in the New York City area. Their contract was scheduled to expire at midnight July 27 as did the UTW's. The CWA contract was extended for 24 hours, however, while the two sides continued to negotiate.

The UTW agreement covers technical workers, repairmen and operators of video display terminals.

The package provides a variety of fringe benefit improvements, including a 30-percent increase in benefits payable under the company's pension plan. A $20,000-a-year employee with 30 years' service would receive benefits equal to 1.3 percent of his or her highest five years of earnings, rather than 1 percent under the old contract.

The new agreement, which both sides agree will cost the company $59 million over the life of the pact, also provides higher rates for some job classifications, health coverage improvements including a new optical plan, an increase in major medical insurance from $150,000 to $200,000, and improvements in company-paid life insurance.

Unions Study Use of New Technology

Organized labor's ability to use the new communications technology to compete against the heavily financed business interests to get its message across was the theme of a panel at the World Future Society's annual assembly in Washington.

Communications specialists from four AFL-CIO affiliates took part in a panel discussion on "Labor Telecommunications and the Future." They emphasized that the greatest challenge of the Eighties will be to convey to the public the fact that human services goals cannot be achieved without the involvement of labor, since labor has the capacity to mobilize the greatest number of people in the political sector.

Panelists include David Mitchell, public relations director of the Auto Workers; Russell Gibbons, Steelworkers public relations director; Jerry Rollings, assistant director of communications for the Machinists, and Phil Sparks, public relations director of the State, County & Municipal Employees.

Drexel University Prof. Arthur Shostak chaired the panel. Prof. Greg Giebel of the University of the District of Columbia's industrial management faculty and Tom O'Brien, a specialist at the Labor Dept., summed up the panel's discussion.

Panelists reviewed telecommunications projects under way among the unions they represent, including the media attitude survey conducted recently by the Machinists, plans by the Steelworkers and AFSCME to use satellite broadcasts, and projected low-power television station networking by the Auto Workers.

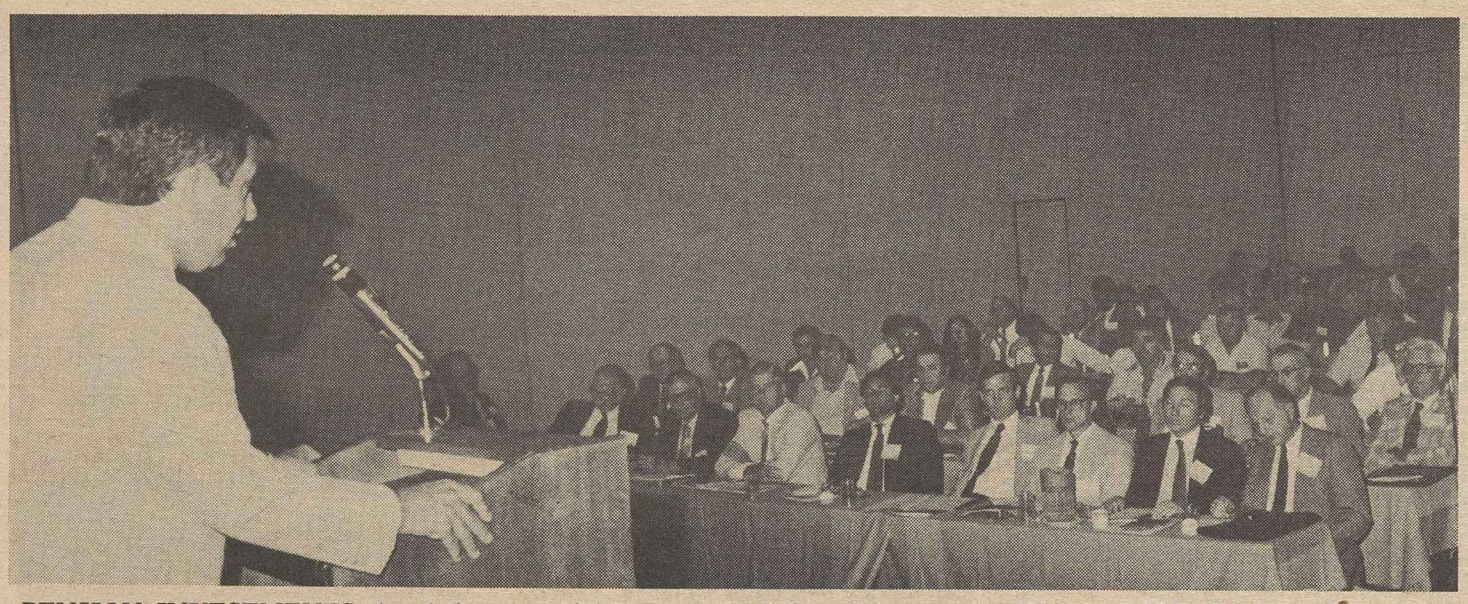
Cruise Ships Boost U.S.-Flag Service

Honolulu, Ha.—Two U.S.-flag cruise ships now in service here with union crews trained by the Seafarers signal a much needed "renaissance" in the U.S. passenger fleet SIU President Frank Drozak said.

The ships—the 800-passenger Constitution, reflagged in June, and the 750-passenger Independence, in U.S.-flag service since 1980—make weekly trips around Hawaii for American Hawaii Cruises of San Francisco. The Independence will also make two mainland-to-Hawaii cruises this summer.

Drozak said the ships' crews were trained at the Harry Lundeberg School in Piney Point, Md., where the union offers both basic and advanced seamanship courses.

The two ships, the only U.S. flag passenger vessels now in service, provide more than 650 jobs for SIU members as well as increased federal and state revenues and substantial shoreside employment, he stressed. Members of the Marine Engineers also man the ships.



PENSION INVESTMENTS that help create jobs are the prime topic at a series of conferences for union and management pension fund trustees sponsored by the AFL-CIO Building & Construction Trades Dept. In addressing the first of the conferences in Chicago, BCTD President Robert A. Georgine stressed that most financial institutions manage funds for profit rather than in the interests of workers or a more productive economy.

Building Trades Conference Presses Pension Fund Goals

Chicago—The AFL-CIO Building & Construction Trades Dept. opened a series of pension investment conferences here for labor and management pension fund trustees focusing on job-creating investments. Additional sessions will be held in Great Gorge, N.J., Sept. 2 and 3, Portland, Ore. Sept. 30 and Oct. 1 and Lake Buena Vista, Fla. Nov. 18 and 19.

The BCTD goal is to place more than $500 million of union pension money in job-creating construction industry ventures.

PRESIDENT Robert A. Georgine told representatives of 75 union pension funds that "pension capital must be invested where it does the most good for those who generate this income and who have a right to its benefit — the American worker."

Georgine charged that most banks and other financial institutions are managing union pension funds to make profits and not for the interest of workers or a more productive economy. He added:

"They invest the vast majority of our members' deferred wages in corporations whose management is anti-union."

"THEY INVEST billions of pension dollars in Europe, Japan, the Middle East and the Third World—not in America."

Georgine pointed out that the BCTD only endorses pension fund investments which are financially sound and secure and only those investments which can be expected to produce a reasonable rate of return.

AFL-CIO Associate Research Director Henry Schechter discussed the federation's new housing investment trust, noting that its goal is to match union pension funds seeking solid investments with developers looking for long-term financing.

Schechter explained that the federation's Mortgage Investment Trust was developed in 1964 to spark construction loans which are repaid on completion of the project. The new housing investment trust is for long-term loans, which are harder for developers to secure. These loans are paid off in 25 or 30 years.

ALL INVESTMENTS in the AFL-CIO program will be FHA-insured. The loans will be for apartment buildings, single family homes and nursing homes. All must be 100 percent union built.

Gerald M. Fader, BCTD legal counsel, urged pension fund trustees to consult their attorneys and investment advisers before drafting any new pension investment program to insure compliance with federal laws guarding workers' pension rights. He praised the $12 million mortgage investment program of the Chicago District Council of Carpenters as an example of a home-grown plan that helps to create jobs.

Other sponsors presenting pension investment programs at the exposition included banks, insurance firms, investor groups and the Federal National Mortgage Association (FNMA).

Two Unions Sign Disputes Accord

The Laborers and the Bricklayers have signed an agreement with the Mason Contractors Association of America that will help resolve local disputes and reduce the need for work stoppages.

The disputes settlement plan was signed by Laborers President Angelo Fosco, Bricklayers President John T. Joyce and George A. Miller, executive vice president of MCAA.

The three-step program includes joint monitoring by the national organizations of local bargaining agreements, a structured mediation and conciliation system aided by the unions and the association and an agreement by the national parties to use final, binding arbitration procedures in a limited number of cases when the disputes cannot be resolved by other means. An impartial umpire may also be used in some instances.

The plan is an expansion of an agreement already in use between the Bricklayers and the MCAA since February. It was developed with the help of former Labor Sec. John T. Dunlop as part of the Labor/Management Relations program of the International Masonry Institute.

Recovery Hopes Linked to Drop In Interest Rates

Lower interest rates are needed to fuel America's economic recovery, the AFL-CIO told a task force of the Senate's Democratic Policy Committee.

Henry B. Schechter, director of the AFL-CIO Office of Housing & Monetary Policy, stressed the link between the high interest rates that have marked the Reagan Administration and the surge in unemployment and business bankruptcies.

HE REITERATED the AFL-CIO's call for renewal of federal credit control authority that expired at the end of June. A House Banking subcommittee has approved a bill to revive the President's standby authority to invoke credit controls and Schechter urged Senate Democrats to support the effort. Interest and mortgage rates dropped when credit controls were invoked during a three-month period in 1970, Schechter noted.

One of the byproducts of high interest rates, Schechter noted, has been to widen the gap between those in the top income brackets and the large majority of Americans who spend most of what they make and are often in debt. Thus, interest payments have helped increase the share of total income received by the wealthiest 20 percent of Americans, he stressed.

Senate Votes Stiff Curb on Racketeering

The Senate passed by voice vote a bill supported by the AFL-CIO that toughens criminal penalties for union officials who take employer payoffs and for employers who bribe them.

It also requires immediate removal from office of union and pension fund officials convicted of serious crimes, even if appeals from the conviction are still pending. If a conviction should be overturned on appeal, the official would be reinstated with full back pay.

THE BILL, which now goes to the House, also provides for a 10-year period of disbarment from union or pension office, up from the present five years. However, with mitigating circumstances, a judge could reduce the disqualification to five years.

Other tightening of existing law includes closing of a possible loophole under which a person disbarred from office might continue to exercise control in some lesser office or as a "consultant." And the legislation gives the Labor Dept. a strengthened mandate to investigate misconduct.

At Senate hearings last October, AFL-CIO President Lane Kirkland said such legislation would be both good for the nation and in the "best interests" of the trade union movement.

RACKETEERS who prey on unions "are our natural enemies," Kirkland testified. The entire trade union movement is tarnished, he said, by a union officer who "takes an employer payoff for a substandard contract" or "pilfers from the union treasury."

Such penalties as disqualification from union office for abuse of trust have no counterpart in the business world and could be considered as one-sided against labor, Kirkland noted in his testimony. But the labor movement "can only be strengthened" by getting rid of crooks, he said. And "the morals of the marketplace will not suffice for the trade union movement."

The AFL-CIO worked with bipartisan sponsors of the legislation and their staffs to help shape a bill that would focus clearly on wrongdoing and would not become a vehicle for harassment of unions and pension trustees.

Tariff Cut Authority Threat to Jobs

The AFL-CIO asked Congress not to give the Administration a new blank check to negotiate tariff cuts that could throw additional Americans out of work.

The President's authority to reduce tariffs without seeking the approval of Congress expired last January and the Administration is seeking a two-year revival.

Legislative Rep. Stephen Koplan told a Senate Finance subcommittee that the Administration has not made a convincing case for renewal of tariff-cutting authority under the expired Section 124 of the Trade Act.

SOME 1,500 products are on the Administration's agenda for potential tariff reductions, and Koplan urged that Congress study the potential impact on employment in U.S. industries now making these products before taking any action on the legislation.

Employment in every manufacturing industry is down, Koplan stressed. "American industries are suffering from the combined impact of recession and high imports. Renewal of this authority will only aggravate the serious erosion of the nation's industrial base," he warned.

Koplan noted the impact of a reduction in the U.S. tariff on semiconductors that had been negotiated with Japan in an effort to expand the U.S. market in that country. But the extension of the tariff cut to the European Economic Community has led to new inroads in the U.S. market, even though U.S. exports are stifled by a 17 percent European tariff that remains in place.

"What American workers are experiencing in the U.S. semiconductor industry is typical of what other U.S. industries will have in store for them if this legislation is passed," Koplan testified.

Especially in line with that experience, Koplan said, the AFL-CIO also opposes a section of another bill that has been considered by the subcommittee, to grant the President for five years authority to reduce or eliminate U.S. tariffs on seven high technology items relating to computers and semiconductors.

Such a move, Koplan warned, would encourage U.S. companies to move abroad and "the result will be the U.S. export of highly skilled jobs."

KOPLAN ALSO testified before a House Ways & Means subcommittee on a "reciprocity" bill similar to the measure approved by the Senate Finance Committee in mid-June.

Despite good intentions, Koplan said, the legislation amounts to mere "window-dressing" since the President has adequate powers under existing laws to act against nations that impose non-tariff barriers to American products.

He said the AFL-CIO concurs with a minority report on the Senate Finance Committee bill that warned that additional and unneeded authority to negotiate on "reciprocity" could result in giving away more in job-destroying reciprocal concessions than would have been the case without the legislation.

U.S. TRADE policy continues to encourage the erosion of American industries and jobs, Koplan said. "Enforcement of existing law and change in trade policy are long overdue," he said.

Instead of dealing with unneeded legislation, Koplan urged, Congress should press forward with domestic content legislation "to take automobiles and related parts off the list of endangered U.S. industries."

Such a law, he stressed, would strengthen the entire U.S. economy.

Credit Charge Rollback Petitioned to State Ballot

Seattle—A successful petition drive by the Washington State AFL-CIO will give the public a chance to vote in November on a measure to roll back consumer credit rates in the state.

The campaign for Initiative 412 garnered 180,000 petitions—50,000 more signatures than were needed—State AFL-CIO President Marvin L. Williams reported.

If it passes, the measure would reduce the interest rate allowable on all forms of retail credit, including bank and store charge cards and installment contracts, to 12 percent or one percent above the federal discount rate, whichever is higher. Current rates range from 17 percent to over 20 percent.

The high rates are the result of action by the Republican-controlled state legislature last year overturning a 1968 initiative, also sponsored by the State AFL-CIO, that had put a 12-percent cap on retail interest rates.

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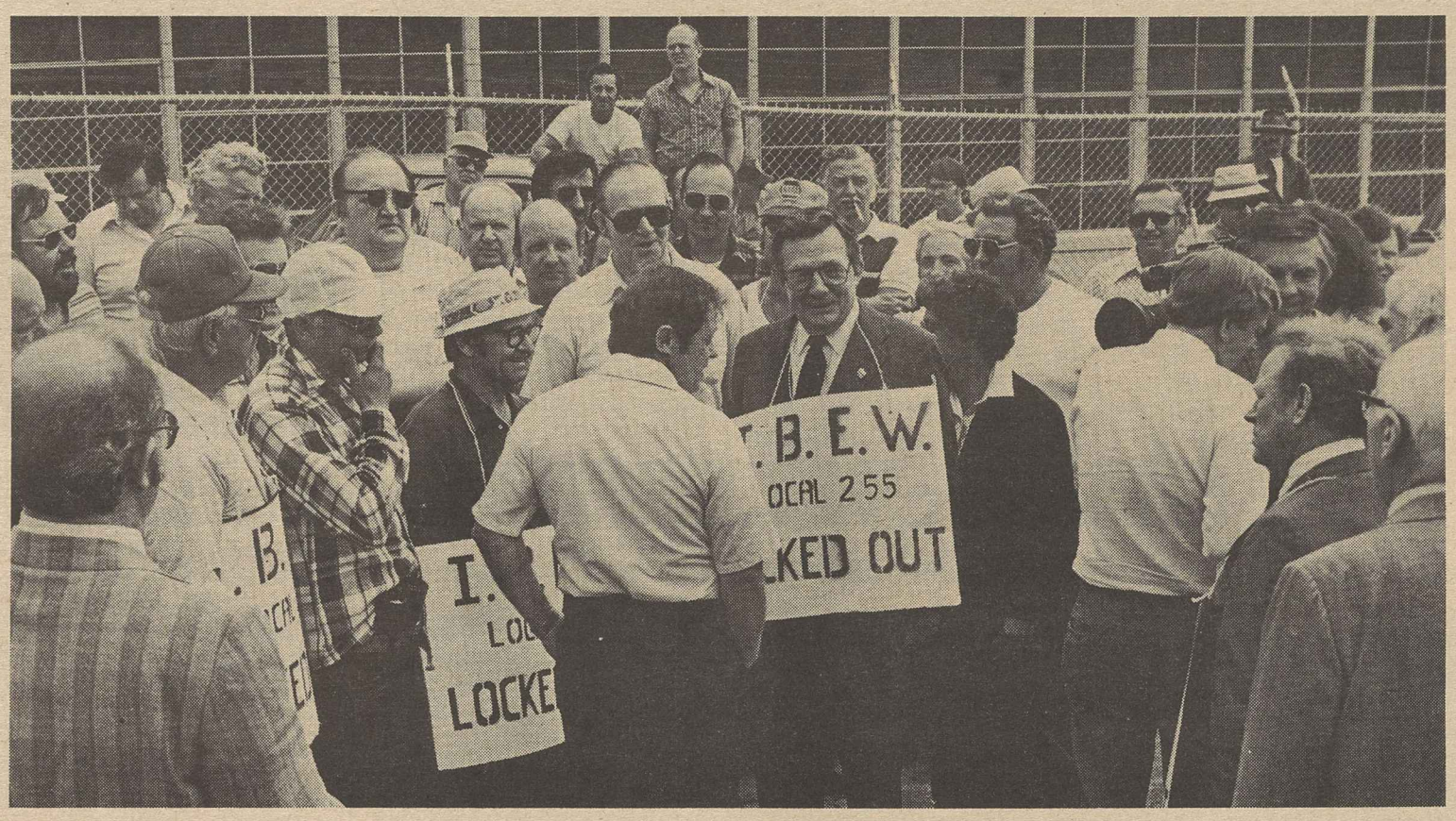


1982 REGIONAL CONFERENCES

The 1982 AFL-CIO regional conferences were held in the same seven AFL-CIO regions as in 1981 and in the same time frame of mid-March to late May. Each conference used parts of three days and they were held in Dearborn, Mich., Louisville, Ky., Phoenix, Seattle, Birmingham, Ala., Houston and Hartford, Conn.

For the two AFL-CIO officers, President Lane Kirkland and Secretary-Treasurer Thomas R. Donahue, the workshops were an extension of the previous year—a chance to improve union activities through more effective, two-way communication.

As in 1981, the script for the officers' workshops was, "Hello, what's on your mind?" followed by an hour of questions on whatever topics the participants chose.

In most other aspects, the 1982 conferences were totally different from the previous year.

The 1982 conferences focused mainly on political action, with the work of the Committee on Political Education occupying more than half the workshops, affording the chance to go into detail on planning, budget, data processing, marginal districts, telephone banks, relationships with the political parties, candidate screening and the work of the support groups.

The other presentations were made by the AFL-CIO Departments of Legislation, Education, Economic Research, Information and Organization & Field Services. The conferences closed on the third morning with a political rally attended by labor's natural allies from the women's, seniors, minority, consumer, and youth groups as well as the support organizations made up of trade unionists among those same groups.

The rallies included such labor friends as Senators Donald Riegle of Michigan, Paul Sarbanes of Maryland, Spark Matsunaga of Hawaii and Henry M. Jackson of Washington.

At some conferences, Kirkland and Donahue were joined in spreading the message of solidarity by Executive Council members John DeConcini of the Bakery, Confectionery & Tobacco Workers, Robert F. Goss of the Oil, Chemical & Atomic Workers and J. C. Turner of the Operating Engineers. Numerous legislative or COPE directors from international unions also attended.

In Louisville, Phoenix and Hartford, Kirkland carried the solidarity message of "you are not alone" to union members on picket lines.

From Louisville, he visited the picket line of the Cement, Lime & Gypsum Workers at nearby Kosmos Cement, the site of a new AFL-CIO boycott.

In Phoenix, it was a Laborers' line, mostly women, at the Carter-Glogau Laboratories and at Hartford it was a strike at Triangle Wire & Plastic by the International Brotherhood of Electrical Workers, whose bargaining committee reached agreement, and the strike ended, later the same day. In Seattle, Kirkland issued a statement on behalf of the OCAW organizing drive among security officers at the Satsop and Hanford nuclear sites, where a representation election was later won among 220 workers.

But those workers still didn't have a contract by mid-1982, and the lines were still up at Kosmos and Carter-Glogau, emphasizing the need for perseverance as well as solidarity in the quest for workers' rights.

Perseverance was also the topic in Houston, where Kirkland and Donahue spent an entire day touring major locations of the Houston Organizing Project, encouraging in-plant committee members and organizers and stressing the importance of the Houston coordinated project as a harbinger of the future for all of the U.S. labor movement.

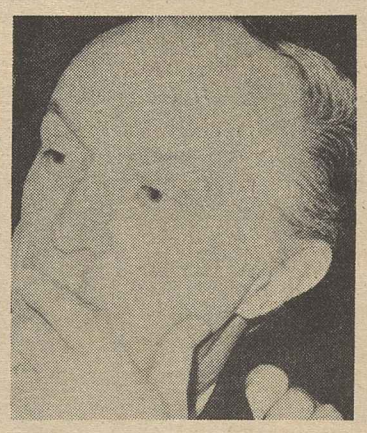
"From this solid foundation," Kirkland told an organizing rally of 1,000 trade unionists in Houston, "we mean to build a force even more vigorous, united and dedicated. We are here, now, in good strength for the long haul."

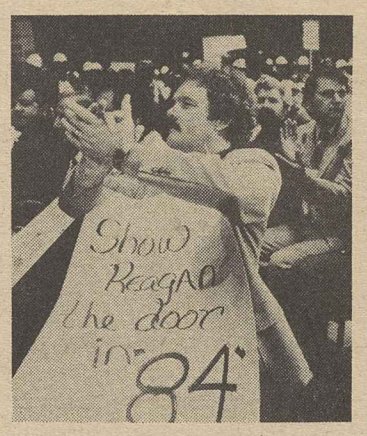
"It will be the unions that will protect their members when the economic wheel turns again and prosperity returns; when the callbacks replace layoffs; when the so-called givebacks are turned into new gains for workers. That is the special message for the unorganized, for it is they who are the most severely and cruelly hurt by this recession."

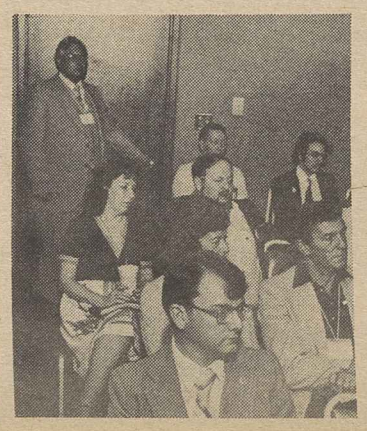
After that speech, Kirkland spent the afternoon touring the 63rd floor of an all-union construction site in downtown Houston and visiting a Steelworkers organizing site. Donahue spent the afternoon with a variety of health and school workers in another segment of the Houston Organizing Project.

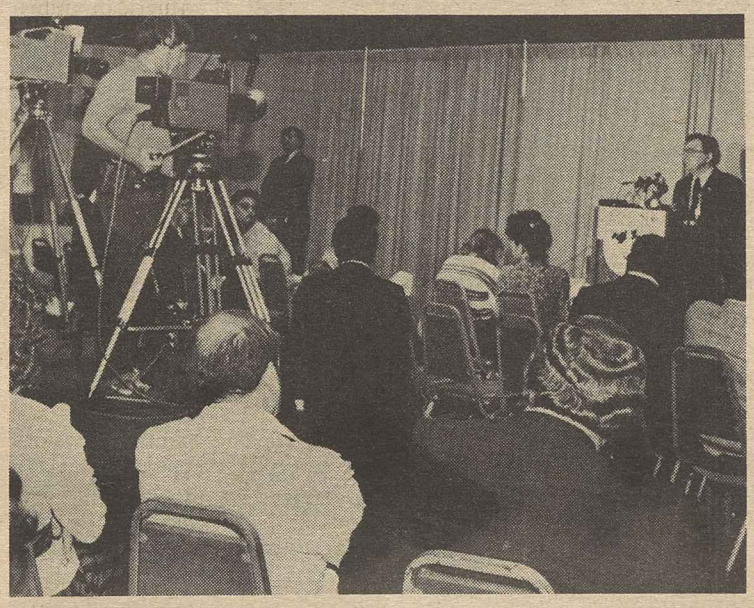
They, and other audiences in the other regional conferences, were given the same message from Kirkland:

"To the brothers and sisters who are building this bigger, stronger trade union community, we bring the historic message of solidarity from the rest of the trade union family."



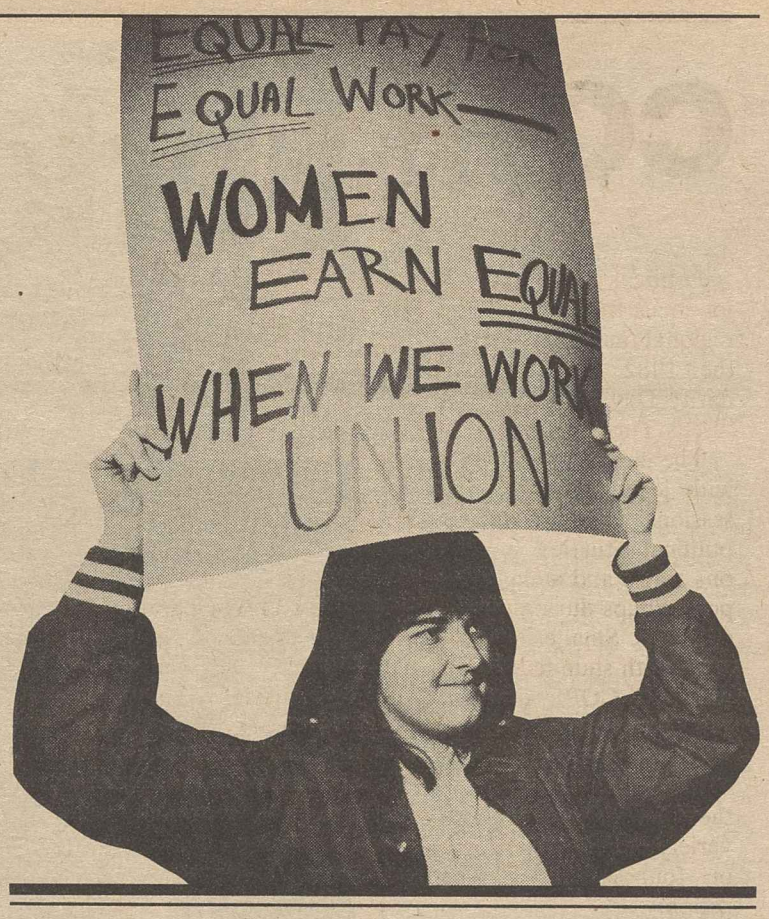






Material in this section is taken from a report to the AFL-CIO Executive Council on the 1982 Regional Conferences.

Officers' Workshops



AFL-CIO President Lane Kirkland and Secretary-Treasurer Thomas Donahue attended all seven of the 1982 regional conferences. Each participant was given the opportunity to attend a workshop conducted by one of the federation's two top officers.

While the other conference workshops sharpened skills in political activity, grass roots lobbying, communications, and economic policies, the two officers used their session to listen to the views and respond to the questions of the delegates. The officers' workshops were similar to those conducted during the 1981 conferences—with the emphasis on a give-and-take of ideas.

Once again, both officers found the workshops extremely beneficial. Participants demonstrated that they are proud of their unions, concerned about their members and their communities, and more than willing to suggest new ways to strengthen the labor movement—with no hint that labor leadership at any level is "out of touch" with the members.

The local leadership represented at the conferences had little or no criticism of positions taken by the AFL-CIO or its affiliated national and international unions. This local leadership seeks better ways to implement policies, not ways to reverse these policies. The major concerns, voiced repeatedly, were to develop programs that would strengthen labor by improving communications with the rank and file, building internal unity, and organizing the organized as well as the unorganized. Conference participants used the officers' workshops to discuss these issues and offer constructive suggestions for consideration by the officers and the Executive Council.

Kirkland and Donahue opened workshops with brief descriptions of the steps taken by the federation to implement ideas proposed during the 1981 regional conferences. Delegates were reminded that early plans for Solidarity Day came from the enthusiastic response at the 1981 regional conferences.

Other new programs now under way following ideas expressed at the earlier conferences include: the Labor Institute of Public Affairs, the grass roots legislative action committees, the formation of new coalitions with non-labor allies, increased emphasis on coordinated organizing, assisting support groups through per capita payments, an action taken by the 1981 convention, and increased efforts to encourage affiliation with state and local central bodies.

As at the previous conferences, the officers' workshops covered a wide range of issues. With all sections of the country suffering from Reaganomics, repeated discussion was focused on the need to turn the political climate around, restore full employment, defend domestic programs and lower interest rates. Most of the delegate proposals were directed toward helping the labor movement lead the way in solving these problems.

In a majority of the workshops, there was a strong call for the increased participation of rank-and-file members in new Solidarity Day demonstrations, state and local mass rallies and Labor Day activities. Many of the participants expressed the opinion that the membership was growing more militant and looked to leadership for methods to voice their views. Recognizing that massive rallies require careful planning to be successful, suggestions were made to train staff in advance preparation techniques for such demonstrations.

Delegates strongly supported the labor movement's efforts to build better political unity at the federal, state and community levels. While actions taken by union leadership to achieve this goal were applauded, the need to give rank-and-file members a feeling of participation was stressed. Attitude surveys, year-round telephone bank questioning and other polling methods were suggested.

Such activities were seen as helping to increase "get out the vote" efforts among union members and their families as well as developing grass roots programs to improve political accountability for those elected to public office. At the Seattle conference, delegates from the Missoula, Mont., central labor body described their successful project which combines letter writing to the state legislature with an amplified phone conversation with union representatives and elected officials during legislative sessions. Another suggestion called for the AFL-CIO and its affiliates to train potential candidates and provide them with material explaining labor's viewpoint.

As in 1981, many comments and questions stressed the need to strengthen state and local central bodies. While it is recognized that mandatory affiliation requirements are unworkable, there was a continued call for increased efforts by the federation, its staff and its affiliates. There also was renewed interest in exploring methods that would lead to financing state and local activities through a national per capita tax, using some variant of the system adopted for support groups. Also suggested was development of an AFL-CIO leaflet explaining the benefits of state and local affiliation.

One problem raised in a number of the sessions involved the occasional endorsement of candidates by local trade and industrial department councils that conflict with endorsements by AFL-CIO state and local central bodies.

Numerous delegates recognized that increased service by the state and local central bodies, themselves, plays a major role in obtaining affiliations. To help in these efforts, requests were made for training programs to assist central labor body officers who are either volunteers or part-time workers. A similar suggestion called for training in the use of the media for local leaders.

Other proposals included: holding meetings for central labor body leaders, bringing together CLC and state federation delegates at AFL-CIO conventions, using retired union members to assist central labor bodies, and examining the possibility of a "matching grant" pilot project for central bodies that are willing to fund increased service programs.

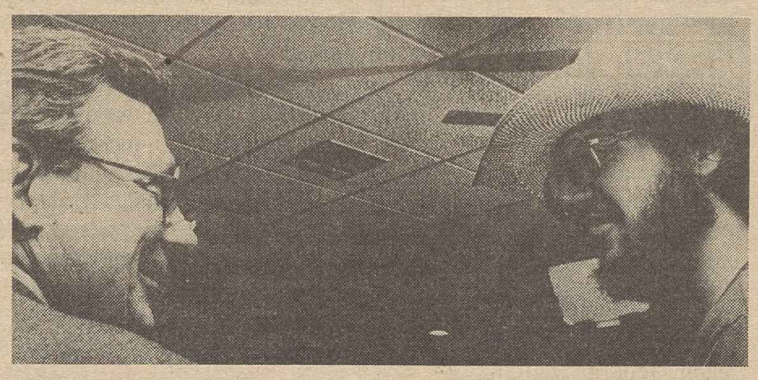
The importance of AFL-CIO officers attending state federation conventions was discussed. Recognizing the scheduling problems involved, proposals were made to schedule conventions in neighboring states during the same time span and to consider the use of videotapes as well as two-way telephone hook-ups.

Increased educational programs for union members received considerable attention. Among the suggestions: material for the children of members striving to elect union members to school boards to improve curricula and text books; making sure the new AFL-CIO television programs appeal to youth and younger union members; using labor music on radio, especially during daytime when many members listen to their radios on the jobs; enlisting such trade union celebrities as athletes and actors to carry labor's message; and placing subtitles on current labor films for use in Hispanic communities.

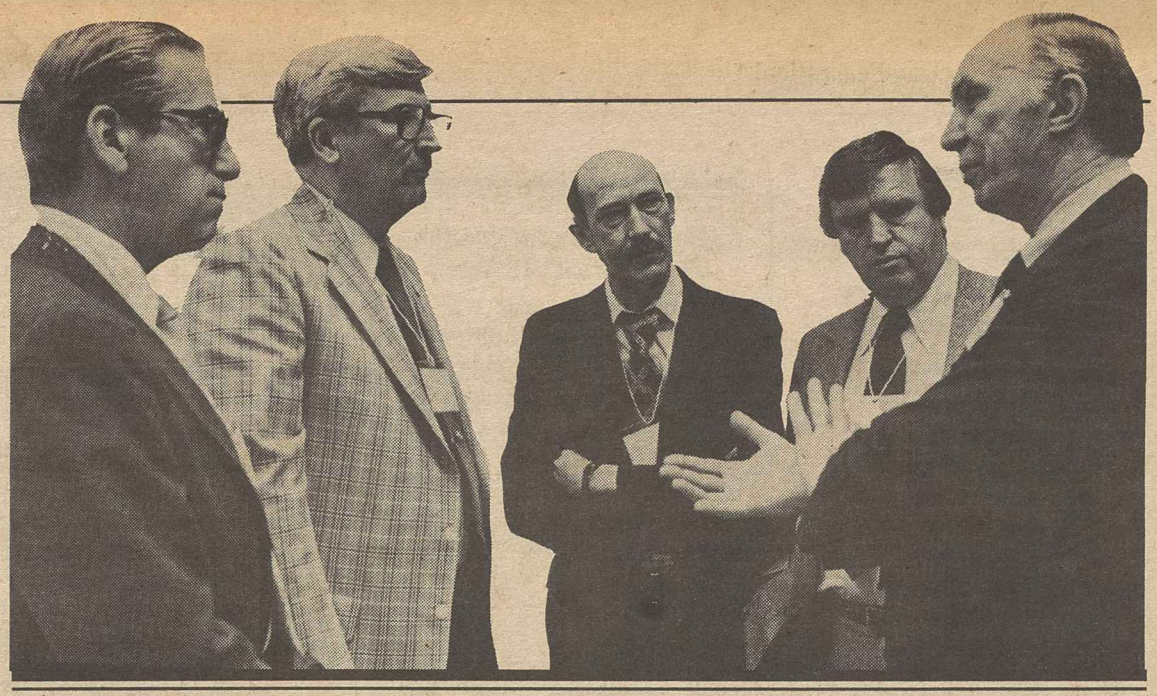
There also was an expressed need to develop better relations with like-minded community groups. Requests were made for material explaining how to form coalitions and how to make such coalitions work effectively. Other delegates called for increased assistance and guidance in learning how to better involve their members in their hometown communities.

The officers' workshops produced a wide range of other questions and discussions. These issues included: foreign policy ranging from Poland to El Salvador and South Africa; problems involving international trade; the possibility of organizing the unemployed; potential mergers of affiliated unions; the chances for affiliation with the AFL-CIO of currently unaffiliated unions; and information on tentative plans to secure early united labor involvement in the presidential primaries.

Finally, while the delegates applauded the issuing of the 1981 conference report to the Executive Council and action on many of the conference recommendations, they urged that the 1982 conference report also be given wide distribution. This proposal will be carried out through publishing a summary of the conference report in the AFL-CIO News.



COPE



Political action was the major focus throughout the 1982 regional meetings, looking to the 1982 elections as Solidarity Day II with the slogan "Let's Turn It Around."

The first day—in meetings with leadership — workshop sessions were devoted to the political situation in the various states and work with support groups during the coming elections. Smaller, limited sessions with state federation officers and COPE directors reviewed budgets and plans in specific terms.

The larger meeting, starting the second day, featured a variety of optional workshops on four aspects of political action:

- Labor and political party relationships.
- Telephone banks.
- Candidate screening and interviewing.
- Marginal congressional district campaigns.

A special, assigned workshop dealt with reporting and accounting required of unions by the Federal Election Commission. More intricate legal problems in this area were referred to an end-of-the-day legal workshop conducted by AFL-CIO counsel Larry Gold.

Similarly, those responsible for the technical aspects of computer file maintenance were also offered a further, more specialized workshop by AFL-CIO data processing director Richard Drennan. In the three first-day sessions, the two specialized workshops and the four major second-day discussions, COPE activities occupied nine of the conference total of 17 workshop topics.

POLITICAL SITUATION MEETINGS

Like other workshops on the first day, participants attended the political situation sessions with the delegation from their state. Each state federation president was asked to report on the impact of redistricting and the outlook in each federal and state-wide race. Lastly, a reading was requested on the impact of Reagan Administration policies on our members' lives and attitudes.

As the state federation president reported on each congressional or state contest, COPE Director John Perkins asked others to comment—to evaluate from the standpoint of their union or region about the election in question.

Delegates showed a sense of optimism—especially when contrasted with the 1981 regional conferences, which came in the wake of 1980 election results—about labor's chances of electing pro-labor candidates or protecting those who only a few months earlier had been in real trouble. Delegates tended to agree on which districts in their state offered the best chances for victory by COPE-endorsed candidates.

But in some states there were serious differences, and there the workshop contribution was to alert each side as well as national COPE to these differences.

The emphasis of these political situation meetings was for national COPE to listen especially to the state and local leadership appraise the political situation. Their analysis was in turn carried back to the COPE Operating Committee members on the Marginal House and Senate Committees. Many of these same COPE directors of international unions—the members of the operating committee—came to one or more regional conferences to hear first hand.

SUPPORT GROUPS AND ELECTIONS

The support group workshops took the general political analysis one step further: exploring the resources and programs that various support groups might bring to specific congressional political contests in which labor is involved, particularly marginal Senate and House races.

The support groups are units established with the assistance of, and primarily funded by, the AFL-CIO and its affiliated unions. They work in labor's non-partisan registration and get-out-the-vote campaigns among their respective constituencies, and they rely on volunteers from within the union movement and their own ranks to conduct their programs. Support group membership is made up totally of trade unionists.

At the regional meetings, plans were formulated for maximum emphasis on support group activities in swing districts where their constiuencies represent a significant portion of the electorate. For the first time, representatives of the Coalition of Labor Union Women (CLUW) were invited to the COPE workshops and participated in the sessions.

The other support groups are:

- The A. Philip Randolph Institute, which conducts its non-partisan registration and get-out-the-vote programs within the black community.
- The Labor Council for Latin-American Advancement, which works in districts with large concentrations of Hispanic-Americans.
- Concerned Seniors for Better Government, which provides large numbers of volunteers from among union retirees for the COPE program at the community level and seeks to organize retirees into an effective political force.
- Frontlash, which recruits young volunteers to work with the COPE program and which strives particularly to involve young people in the election process.

BUDGET AND PLANNING

The smaller meetings with state federation officials reviewed planned COPE activities and budget. Because of considerable preliminary work prior to the regional meetings, most plans and corresponding budget amounts were in good order. Also work was done toward getting financial accountings from the local central bodies as well as the state AFL-CIOs.

Mailing list maintenance activities were reviewed and agreement reached on using data supplied by affiliated unions. COPE urged that future mailings to members be varied to reflect different occupational groups, and technique be developed for separate mailings to at least seven different broad employment categories, such as construction, public employees, and others. The aim was to make COPE mailings attract more attention via topics the recipient would more readily recognize and respond to.

As part of the work in computerizing targeted data, state federation officials were asked to help obtain precinct voter returns, information more readily available and necessary because of the new lines drawn for congressional districts after the 1980 census.

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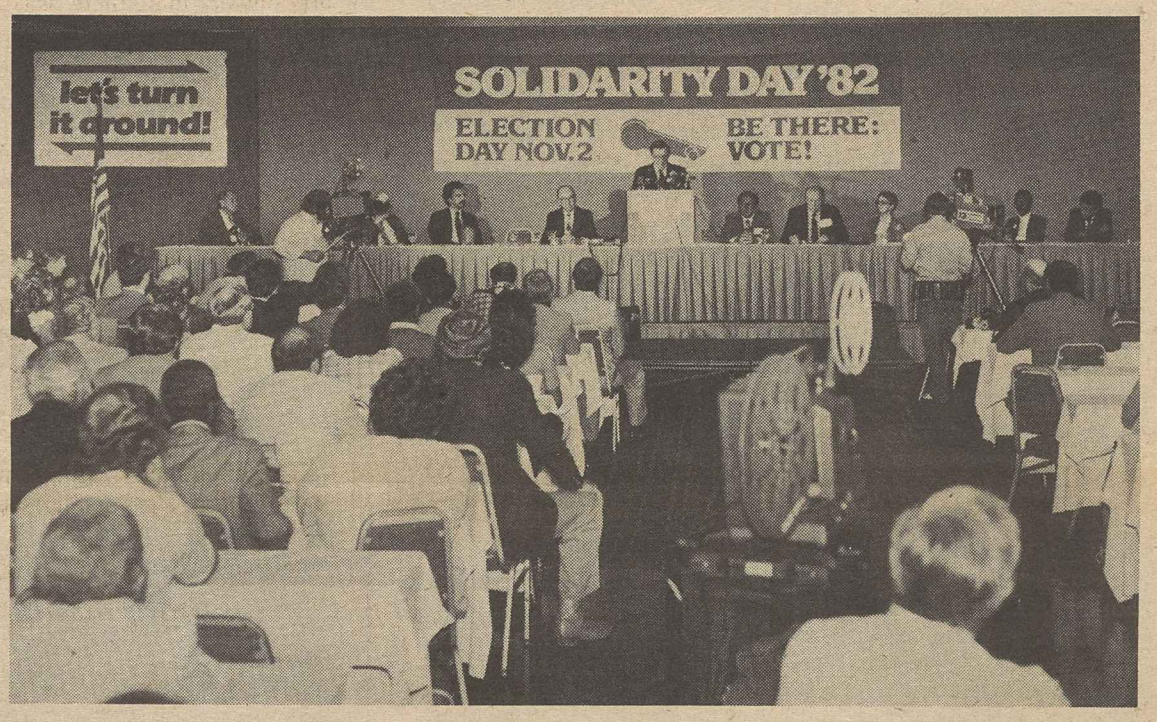

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RELATIONS WITH POLITICAL PARTIES

The emphasis of this report was on developments during the past year as labor became more involved nationally with the political party process. Most of the session was devoted to the relationship between the labor movement and the parties on the state, county and even precinct level.

This topic surfaced repeatedly at the previous year's regional conferences, when Kirkland said that every trade unionist should participate fully in the democratic process in this country, and "fully" must include the affairs of the two national parties because of their impact on the process.

The 1982 delegates had numerous complaints about the political parties, particularly the Democrats: "They want our work but don't want to give us a say. . . . The party has collapsed in our area—there is no party. . . . They run as Democrats but once elected, they pay no attention to the party. . . . We are shut out of the party."

But pursuit of the discussion revealed considerable change since 1980. Labor was more involved, in almost every case, then two years ago. More labor representatives had been attending state and caucus meetings, had increased representation on state and county central committees, and had the feeling Democratic Party leaders were at least beginning to listen. In a few situations, the lack of party structure resulted in labor carrying much or nearly all the burden of seeing that the party functioned. Clearly the solid, neighborhood party organizations that once dominated politics have largely disappeared. In some cases the only organization around was the labor movement.

However, there's a residue of the not so distant past when labor people felt they were ignored or pushed out of the party.

TELEPHONE BANKS

The telephone is one of the most versatile tools in labor's political programs. Telephone banks are relied upon heavily for registration and get-out-the-vote campaigns, for recruiting volunteers, canvassing union members and polling member attitudes on issues and candidates.

The phone banks are staffed by volunteers—men and women of the labor movement who contribute their time and effort to the COPE program. In an election year, more than 10 million calls nationally are placed from phone banks to union members.

The procedures for establishing a successful phone bank were thoroughly outlined, dealing with the variety of technical and human problems involved and how the role of the phone bank changes at different stages of the campaign. New written materials on phone banks were part of the program.

CANDIDATE SCREENING AND INTERVIEWING

Here the emphasis was on doing the necessary homework well before the screening.

That includes research on the district, its history, the issues, background of the candidate and responses to the candidate questionnaire. Moreover, the interview was seen not only as a chance to get the candidate's views on issues but as an opportunity to educate the candidate on labor concerns not well known, especially to the non-incumbents.

Interviewing of incumbents requires the added dimensions of potential quibbling over a "right" vote on the final passage of a bill after a "wrong" vote on a crippling amendment. How an interview committee can arm itself with the necessary legislative know-how was one of the topics of the workshop.

MARGINAL DISTRICT CAMPAIGNS

Participants from marginal congressional districts and marginal Senate states were identified at registration time and given an overview of their district and how it fits into labor's overall marginal district and state campaigns—with an eye to participants who might want to get involved in anything from recruiting volunteers to polling and direct mail.

Concepts about polling and targeting were introduced, giving participants some "feel" for the total planning and process and how the pace of such activities is quickened in a district identified as marginal. Major emphasis was placed on how computerized membership files can be used in each facet of the campaign.

It is in the marginal House districts and states where most of the "swing" occurs in strength of party representation in the House or Senate. These are districts or states where, for various reasons, the outcome can be discerned as a toss-up or near toss-up.

COPE attempts to identify such situations as early as possible in the campaign year so that extra effort can be put into them—in registration and education—well before the campaign peaks in intensity.

This year, there are 80 to 100 marginal House contests and 12 to 15 marginal Senate races on a list that changes regularly with the ebb and flow of the various candidacies and campaigns.

SPECIALIZED SESSIONS

Data Processing

The data processing session was usually devoted to detailed discussion of specific problems raised by the delegates. The questions ranged from basic usage to high computer technology.

In dealing with usage, delegates were mostly concerned about the cooperation of international unions in submitting accurate and timely information for the COPE files. On the technical matters, many union organizations expressed interest in new computer technology, especially micro-computer systems.

Also discussed at all seven conferences was the assistance offered by the federation's Department of Information Systems & Data Processing in automation consulting, sharing of software and actual processing of data, as well as the variety of computer classes offered at the George Meany Center for Labor Studies.

The sessions usually resulted in lively participation and communication of needed information. In fact, some delegates expressed appreciation because of a previous feeling of "nowhere to turn" for answers to their data processing problems.

Since the 1982 area conferences, the AFL-CIO has been contacted by many union organizations requesting automation assistance.

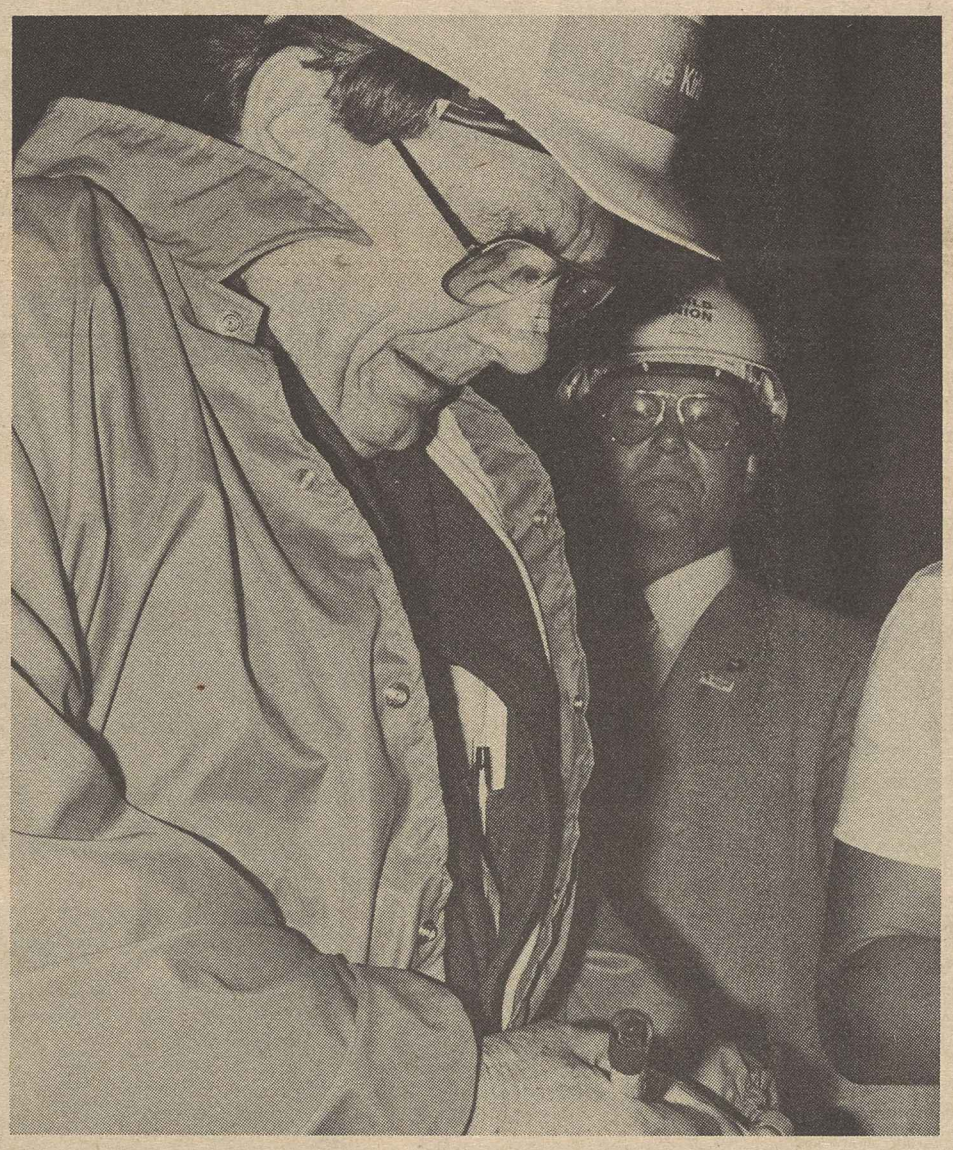
Legal

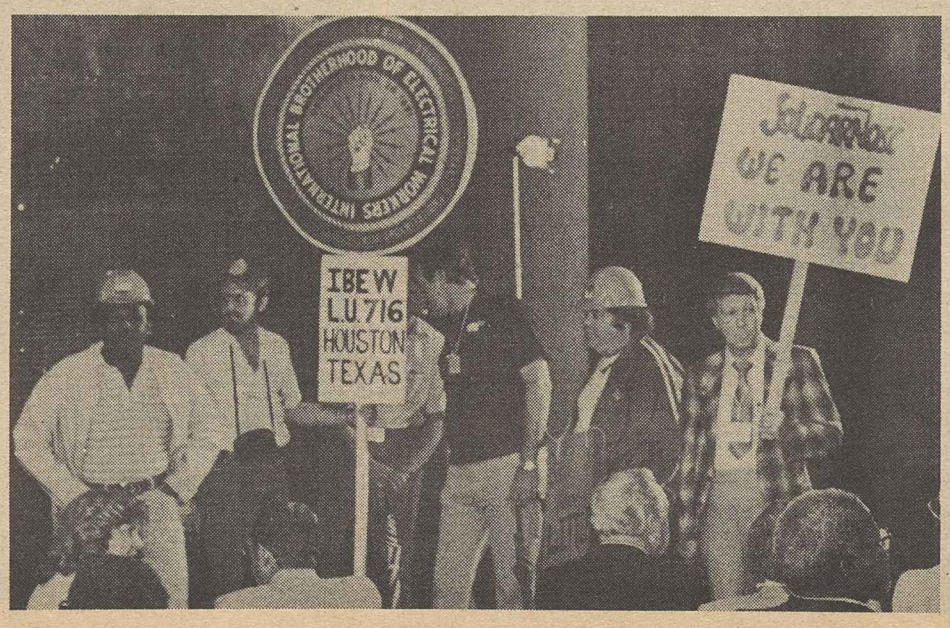
The purpose of legal presentation has been to assure that AFL-CIO affiliates engage in the full range of political activity permitted by law in a manner that complies with the limitations on permissible activity. When union officers know their political rights, they are more effective because they are less likely to be deterred by false concerns or to waste time and effort in extricating themselves from needless legal controversies.

The experience gained during the first year's regional seminars showed that the sessions on the election laws are of principal value to the delegates who are the officers of their organization with the responsibility for COPE activity or for financial affairs. Therefore during this year's seminars the legal sessions were set up as an optional technical workshop and scheduled in the evening on the second day.

The sessions were not devoted to a set agenda but rather were based on a brief opening statement reviewing major legal developments during the past year and a discussion of specific legal problems raised by the delegates.

In light of the format, the discussion was devoted to detailed consideration of specific problems — many of them highly technical.





Legislation

The legislative workshops explained the one-year experience with the AFL-CIO's grass roots pilot program, described the direct mail campaign, outlined various legislative tools available to the unions and their membership and explained major legislation covered or pending in the 97th Congress.

After a one-year trial of the grass roots legislative program in 11 congressional districts, it has been decided to expand the program throughout the entire United States in selected congressional districts. A review was made of the first-year trial of the grass roots program's activities by legislative coordinators—who are full-time staff members of the Department of Organization & Field Services and COPE—and the utilization of the telefax machines for immediate contact with legislative action committees. The success of the committees' impact on members of Congress was outlined, with emphasis on the experiences of persons in the workshops who had participated in these programs.

The reasoning behind expanding these programs was reported as a desire to enlarge the pilot program's 10-state area, primarily on the East Coast. The expansion would go to the West Coast and would focus particularly on congressional districts with strong union membership, a legislator in office whose voting record shows some sympathy, and the availability of AFL-CIO staff to establish the program.

The operation of the direct mail program coordinated by the AFL-CIO was also explained. In the example utilized, the AFL-CIO provided material for developing a direct mail program opposing changes in the Hobbs Act. The writing, preparing and ready-for-camera brochures, envelopes and letters in behalf of the program were prepared and offered to AFL-CIO affiliates as a joint venture.

In this operation, the AFL-CIO enlisted 27 affiliated unions which concentrated first on seven House and five Senate members involved in the Senate and House Judiciary Committees' handling of the legislation. In this instance, up to 1.5 million pieces of mail were sent to the members of these unions in these localities. An average of 8,000 cards—a 10 percent response—were sent to the offices of senators and congressmen in each of the targeted cases. A follow-up mailing to senators had equally dramatic results—a return of four times the normal average for direct mail.

This mail campaign is credited with a direct impact on slowing down and countering support for Hobbs Act legislation. It was explained that the same method of approach could be used on issues like taxes, imports, social security or energy, and under certain circumstances, the procedure could be used for fund-raising to finance future mailing programs.

Tools available to union leadership and their members for lobbying on federal issues were listed, as was the Legislative Alert, the quarterly status report of legislation in Congress, various legislative fact sheets and the voting record of individual congressional members.

Profile sheets on each member of Congress were distributed, showing voting patterns, percentage of victory in the previous election, the 10 top unions in the district, and campaign contributions received from unions, business and the right wing. The profile sheets also provide names and addresses of key labor people in each congressional district.

The presentation updated congressional issues — including holding actions against heavy conservative assault and progress on new legislation. Specific reference was made to the budget, the Hobbs Act, voting rights, immigration, and the quest for domestic content requirements in autos. Discussion of the content legislation was enthusiastically received, with support pledged for the legislation because of a solid understanding of its impact not only on auto workers but on steel, glass, rubber, electronics, textile and other sectors of the economy.

OVERALL RESPONSE

The presentation took 25 minutes; the response was diverse. The grass roots program and its proposed expansion received strong support as did unified mailing projects to bring issues directly to members on key labor concerns. The direct mail discussion involved questioning the value of postcards and petitions vs. sending letters and other handwritten communications to members of Congress.

The lack of communication to the membership on issues of importance was mentioned, as was outreach to counter the anti-union bias of the media and the right-wing direct mail operations.

Mailing list accuracy and update was often mentioned, as were questions about the cost of direct mail, how the direct mail targets are chosen and how funds can be sought by the direct mail process. Those with experience in fund-raising by direct mail described their successes and suggested the AFL-CIO give more guidance in terms of selecting the right issues and the proper packaging.

The delegates addressed a wide variety of topics, including:

- The voting records of members of Congress and the relative importance of the votes chosen in the AFL-CIO's package.
- Legislators who vacillate on labor issues, particularly moderate Republicans; concern and frustration in dealing with Democrats who side with the Reagan Administration on certain issues and attempt to retain their ties to labor.
- Recession-related legislation on plant closings, unemployment compensation, immigration, job training and public service jobs, the Longshore Act rewriting and the attempt in Congress to undermine the eight-hour day.
- The potential expansion of content legislation to other industries with heavy job loss. Related discussion of U.S. automakers' opposition to the content legislation, the need for tariffs and quotas to protect U.S. industries, the inroads on U.S. jobs that can come from the Caribbean Basin Initiative and the impact resulting from utilization of Item 807 of the Tariff Code whereby pieces of a final product are sent abroad where the labor is performed and then returned to the United States.

Economic Research

The economic workshops opened with a summary presentation of the four main elements of Reaganomics: budget cuts, tax giveaways, tight money and deregulation. Also presented were the effects of these economic policies: high unemployment, high interest rates, loss of workers' protective health and wage standards, and increased imports.

QUESTIONS AND OBSERVATIONS BY DELEGATES

On unemployment compensation:

- Extended benefits must be restored.
- Jobs programs are needed.

On imports:

- What can be done to

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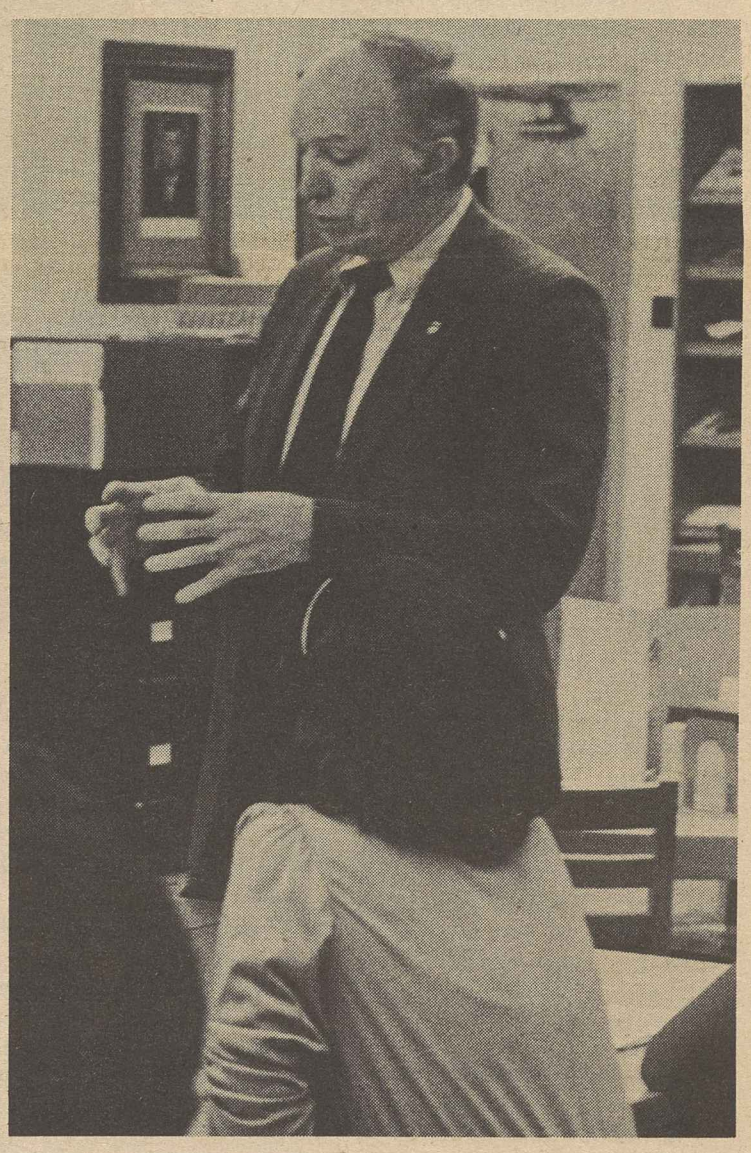

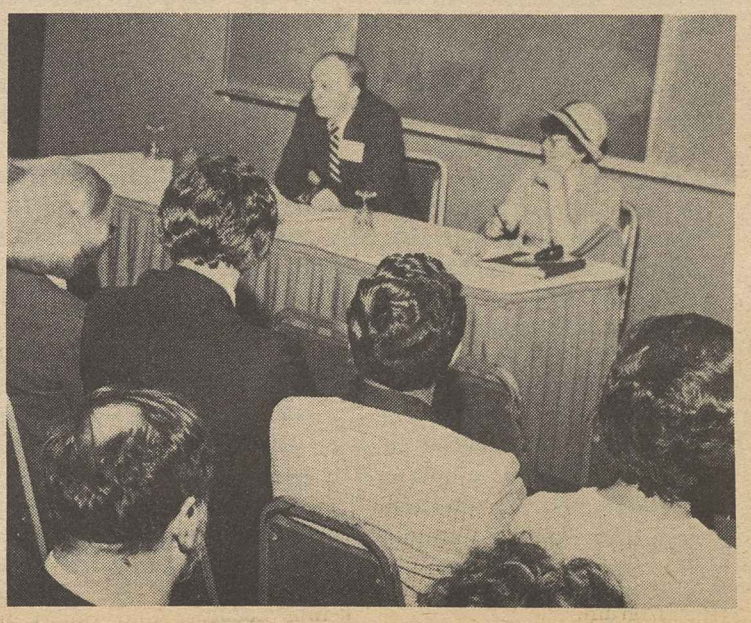

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stop imports that deplete U.S. employment?

- Educate members to "buy American."
- Need to stop imports—other countries will not accept goods from United States.
- Is the steel import trigger mechanism working?
- What is happening on the Caribbean Basin initiative?
- What is being done to organize the unorganized in foreign countries?
- What is AFL-CIO policy on trade restrictions with the USSR?
- Why does the government entice foreign manufacturing to United States?
- Companies going overseas hurt U.S. workers.
- The AFL-CIO should apply more pressure to stop transactions such as municipal subway systems purchasing cars from Japan and Canada.

On taxes:

- Is anyone in Congress interested in the AFL-CIO proposal?
- What about all-savers certificates, IRAs, proposed exemption of interest income?
- Can corporations be forced to use their tax break gains for investment in the United States?
- How can we best enlist our members to get behind the AFL-CIO's $700 "cap" on the amount per family from the Reagan tax cuts?
- How much support is there for tax reform?
- Why not have a single flat tax?

On defense:

- How many times do we have to blow up the earth?
- Do we need all those missiles?

On social security:

- What is the AFL-CIO response to allegations of shortfalls in required funds?
- Will Reagan be successful in pitting the old against the young with respect to social security benefits?

On interest rates:

- When will high interest rates come down?
- How can credit controls be used to bring them down?
- What can we do to get the Federal Reserve to loosen up?
- The AFL-CIO doesn't take a strong position against high interest rates.
- Introduce legislation to control interest rates.
- If we are getting higher interest rates on savings, how can rates on loans come down?
- Would a 10 percent limit on interest rates work?
- Who benefits from high rates?

On Reagan policies:

- Are we making any progress on overcoming them?
- People are worried about budget deficits.
- What about the New Federalism?
- The Reagan Administration is trying to bring wages down.

OTHER CONCERNS

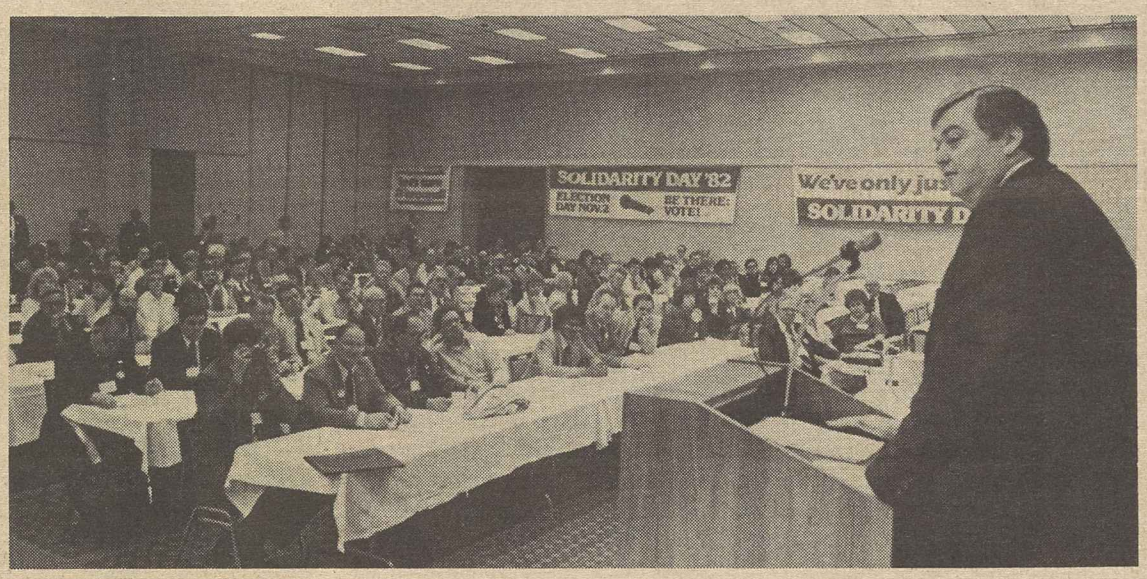
There were exhortations for jobs programs, but questions were raised about how labor can become more effective in getting its economic alternatives accepted in Congress.

Two items that evoked interest were the student loan program and the increasing numbers of plant closings. Another item was possible use of union pension funds for job creation and questions about where such funds were being invested.

In general, delegates reported that members were beginning to feel and understand the adverse impact of Reaganomics, but some members continue to support giving the Reagan program more time.

There were repeated comments that the information and data received at the local level from the AFL-CIO and from international unions were often too complex to pass on or explain to members. The plea was for brief, simple materials.

Organization & Field Services



FIRST-DAY SESSION

The workshops focused on conditions faced by state and local central bodies as a result of the intentions of the Reagan Administration to shift certain programs from the responsibilities of the federal government to state or local governments as outlined under New Federalism.

The presentations traced the development of the federal government's role in providing assistance and protection to workers and their families as well as the absence of involvement by state governments in such activities.

Emphasis was placed on the role of the legislative branch of state and local governments in responding to shifts in program responsibilities and the corresponding obligations to provide adequate funding for newly acquired responsibilities.

Efforts were made to raise the level of awareness of the potential effects of New Federalism and to stimulate responsible programs at the state and local central body levels to encourage state legislation that would preserve social and health programs now threatened by the cutbacks in the federal budget.

OVERALL RESPONSE

Since attendance in these workshops was in most cases limited to state body leaders and officers of major city central bodies, the response generally amounted to agreement about the dimension of the problem—but substantial differences in opinions about their ability to react to New Federalism.

These differences were a reflection of the unequal political strengths or weaknesses existing among the states. Frustration was evident from state body officers quick to admit that their state legislative bodies are strongly influenced by business and conservative groups.

In some discussions, delegates said business organizations, such as the Chamber of Commerce, are more successful than labor in supplying their local groups with detailed information about state legislation.

Delegates also cited the difficulties in organizing as a result of high unemployment and a depressed economy. It was pointed out, however, that the current economic conditions could be expected to cause many unorganized workers to eventually recognize the need for unions in order to provide job protection. This recognition is looked upon as a real likelihood for increased organizing activities.

Because of the small number of delegates in many of the first day workshops, it was easy to establish informal discussions on several topics. In some cases, the workshops were actually "meetings" with central body officers. These "meetings" provided a valuable opportunity for the headquarters staff as well as central body officers.

Suggestions:

- Find a way for central bodies to increase their revenue through better affiliation so they can do the things that are required of them.
- Increase the flow of information on state legislation.
- While the amount of information on national legislation has improved considerably, more information and more advance notice is needed in the conference announcements, especially about who is the appropriate delegate for which day or which session.
- The AFL-CIO should continue its regional conferences annually.
- The international unions need to do more organizing.

SECOND-DAY SESSION

The presentation traced some of the factors that account for organized labor's share of the organizable workforce in the 1980s compared with that of the 1940s or 1950s:

- Shifts in the labor force with reductions in blue-collar, manufacturing and construction jobs that were highly organized and increases in the private white-collar sector, including professional and technical trades and service jobs which were less well organized.
- Shifts in location of jobs from large urban centers in the East, Midwest and Far West to the Sunbelt and also to small town areas in which union penetration and experience was less pervasive or even non-existent.
- Loss of union jobs because of foreign imports.
- Increased management resistance and sophistication in thwarting union representation elections, including the development of labor management consultants in industry.
- The deterioration of the protections of the Wagner Act and its enforcement by the National Labor Relations Board to guarantee the right of workers to choose collective bargaining without interference, harassment or intimidation by management.
- The impact of recession and high unemployment levels.

Discussions followed on what the AFL-CIO was doing to reverse this trend.

This included training and retraining of organizers, more careful selection of organizing targets, better preparation and planning of organizing campaigns, preparation to deal with labor-management consultants and various forms of union cooperation, rather than competition, including cooperative organizing projects, both by geographic area and by national cooperation.

Finally, there was a presentation on the Houston Organizing Project including up-to-date developments.

OVERALL RESPONSE

The response in every one of the seven area conferences ranged from very good to enthusiastic, and it was difficult to conclude most of the hour-long workshops. There was a great deal of interest in all aspects of organizing problems. The question was raised in almost every workshop as to whether the Houston formula would be repeated in other areas. There were also many requests for material on labor management consultants, and a good deal of information was volunteered about experiences with such consultants in most parts of the country.

Participants were pleased with the amount of interest and response that AFL-CIO leadership has exhibited in the area of organizing activity. Many indicated that they were not aware either of the degree of activity or interest and response in the leadership.

Suggestions:

- There should be more sites selected for cooperative campaigns.
- There should be more knowledge of training seminars and institutes that are available for organizing training.
- Area conferences and workshop sessions should be continued.
- Central bodies should encourage their local affiliates to have their members turn in organizing leads to the central body.

Education

Education workshops covered the Reagan budget and its impact on:

- Public education funding with particular emphasis on states.
- Student assistance for post-secondary, higher education.
- State funding of university labor education and extension programs.

In addition, the workshop presentation reviewed legislation and regulations with which the Administration seeks to shift federal priorities from strengthening public education toward increasing tax expenditures and relief for private schools. Increasing corporate involvement in schools and universities was discussed.

Materials produced and available from the AFL-CIO and its departments were reviewed.

Programs of the George Meany Center for Labor Studies were presented and the catalogue publicized and distributed.

Delegates requested additional information on:

1. Student financial aid cuts. They expressed repeatedly the fear that workers and their families would be shut out of colleges by escalating tuition and reduced grants and loans. They requested technical assistance on how to refute the charges of massive fraud and abuse in the student loan program.

2. The AFL-CIO position on education issues, specifically on higher education and tuition tax credits. Delegates were interested in the relationship between AFT and NEA on the national and local level.

At every regional conference, union members expressed interest in continuing to promote the introduction of labor studies into the classrooms. Several delegates questioned the acceptance of classes on the "free enterprise system" and the refusal of school systems to teach about labor. Questioners sought information and assistance on gaining acceptance for labor materials, and motivating union members to work on school committees.

In labor education programs the delegates requested:

- Additional seminars from the education department devoted to state issues.
- Funding for attendance at institutes of the George Meany Center (the cost of travel from the West and Southwest was often mentioned as prohibitive).
- Technical assistance in writing grant proposals for local funding of education projects.
- National and state AFL-CIO legislative support for continued funding of programs that serve workers in the universities.

Participants expressed interest in educational materials such as brochures, pamphlets, manuals and films. They suggested that:

- Funding should be made available to central labor councils to purchase more material.
- Printed material, specifically on "right to work" and union security, should be updated with new graphics.
- Increased publicity and improved methods of dissemination for new materials are needed.
- Special packets of materials should be developed and mailed automatically to new state and local central body officers.

They also requested:

- A compilation of films and media material for use on public or cable television for labor education classes on TV.
- More frequent updating of pamphlet lists.
- Coordinated lists which enumerate all material available from AFL-CIO departments rather than a piecemeal approach.
- More pamphlets translated into foreign languages, Spanish and Asian dialects in particular.

Communications

The 1982 regional conferences coincided with major AFL-CIO Department of Information undertakings in three areas:

Publications. The weekly AFL-CIO News was described as the indispensable basic communications piece, essential to labor nationally. Thus "beefing up" of the News, incorporating some material from the Federationist, COPE Memo and Legislative Alert, was described as fundamental to the overall task of getting out labor's story.

Radio & TV. During the regional conferences, the AFL-CIO's new radio news service was put in place and could be heard by dialing 1-800-368-5744. Similarly, the Labor Institute of Public Affairs had been given a shape by February 1982 Executive Council action and could be described in terms of function, its three-member staff and its mission to "get organized labor on TV."

Public relations. "Success breeds success," conference participants were told, and the willingness of the press to listen to the union story had improved measurably in a year because organized labor had been right, and President Reagan had been wrong, on jobs and the national economy, the nation's No. 1 news story since inaugural day 1981.

Consequently, those areas defined the union communications workshops and made the discussions quite different from 1981. A year earlier, there was a near "bunker mentality" as delegates worried about how to get a fair chance to respond to the poison of the message voiced by some local commentator whose simplistic economic slogans dominated local thinking in the same way President Reagan's supply-side panacea dominated national economic discussion. In 1982, delegates had a much clearer idea of how they were going to respond and tended to pick and sort their favorites from among the many projects under way.

There was a rich lode to be mined in terms of a contribution from delegates on what they heard and what they had missed from the AFL-CIO message. Much of the presentation and the discussion centered on the thinking behind the three major developments:

- Labor publications of all types are affected by the increase in postal rates. The doubling, or $250,000 increase, in AFL-CIO mailing costs helped dictate the consolidation of federation publications. The role of the AFL-CIO News was also sharply defined: it not only provides the labor point of view on topics like unemployment compensation or prevailing wage laws, but in vast regions of the country — especially outside major metropolitan areas — it is the **only** word trade unionists get on congressional or other action on labor/economic issues. Those issues simply aren't covered by the local press or radio and TV. The AFL-CIO News is the essential for internal communications but also can provide unpublished information in which the commercial press might become interested.
- In the electronic media, cable television and other emerging modes in the communications explosion have a seemingly insatiable appetite for material. Repeatedly, conference delegates reported they already had requests from new cable stations for labor films and generally verified the existence of an adequate market for material by the Labor Institute of Public Affairs. Delegates also had a wide experience with radio commentators on the talk and call-in shows and verified the high percentage of union members who get their information primarily—if not exclusively—from radio.

- On public relations, AFL-CIO Information Director Murray Seeger said the federation would never veer from its historic authenticity as an information providing service. But that doesn't dictate any one method of packaging, and the outreach to the press can be aggressive. It is widely understood that Solidarity Day 1981 played an indispensable role in focusing attention on labor's message about the mistakes of Reaganomics. Events like Solidarity Day get reporters accustomed to looking to organized labor for reaction to the news of the day. Delegates recited numerous local experiences with improved local press relations after marches and informational picket lines.

The 1982 participants also showed a decided awareness of public relations staples like:

Access. Unless there's one identifiable labor person available to reporters who have a strike or other story they have to cover, you can't blame the press for being inaccessible to labor.

Cost. However labor's message is presented, it's clear that one major corporation will probably continue to be able to outspend all 101 AFL-CIO unions combined when it comes to buying air time, especially network TV. Maximum use must therefore be made of the potential newsworthiness inherent in the thinking, attitudes, etc. of workers and their unions. To the union public relations person, that translates into forgetting about buying advertising time until you know you've taken advantage of everything that's free.

Bias. No amount of honesty, sophistication or even "media event" gimmickry will crack some of the hard-core conservative publishers who will continue to impose a blackout on union news. The trick is to determine whether that bias is born of malice or ignorance—because ignorance can be dealt with.

FCC accountability. Unlike newspaper publishers, the electronic media have a responsibility—in exchange for using the airwaves that belong to everybody—to represent a balanced picture of the community in the course of their overall programming. Overall balance certainly doesn't mean free air time for every response labor wants to make, but the FCC fairness doctrine does demand that labor, among other community sources, be regularly consulted. At the least, each central labor council can make sure that bona fide trade unionists are being consulted.

PRESS COVERAGE

Press coverage of the 1982 regional conferences was highly successful. In four of the seven cities, the coverage was a "clean sweep," including stories with pictures in both daily newspapers and mention, at least, on all three network-affiliated local television stations.

In addition, the press coverage often reached beyond the city where the regional conference was held. CBS and ABC network reporters covered the opening conference in

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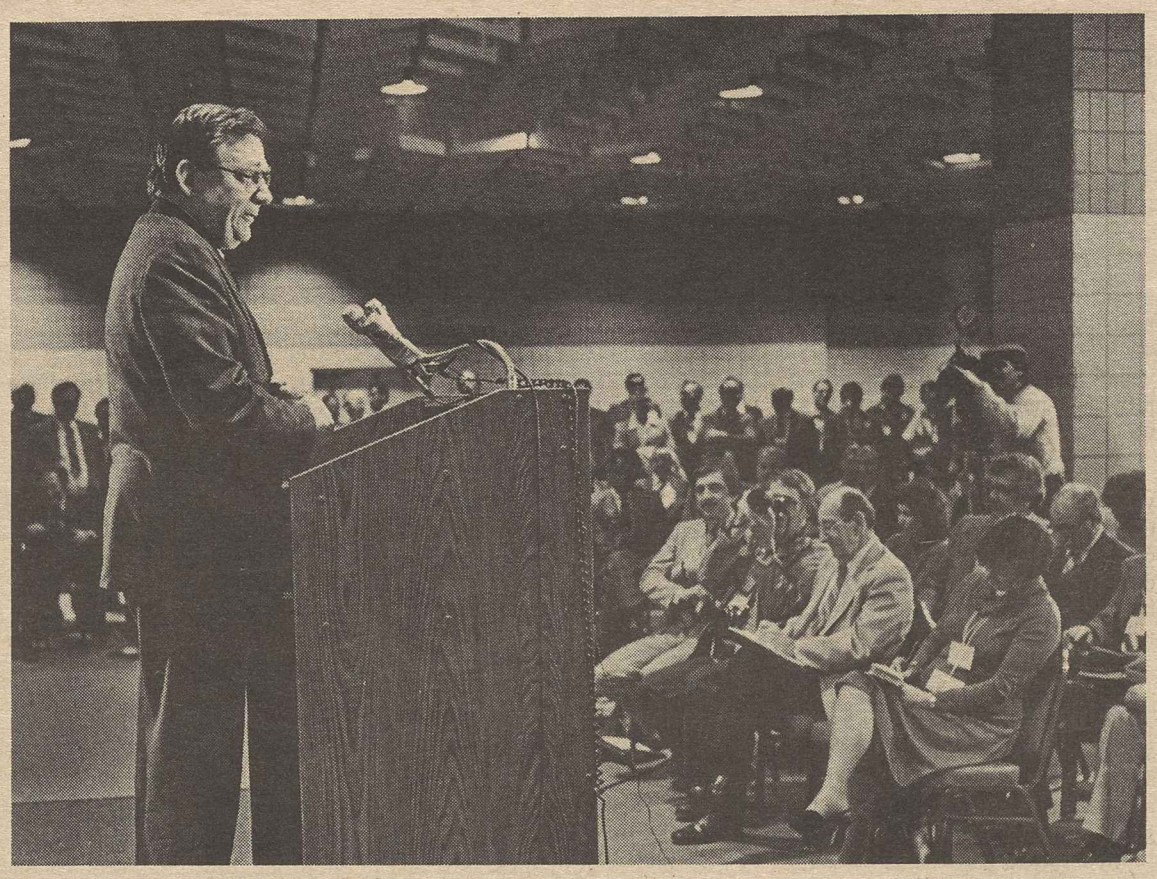
Dearborn and other conferences were covered by the Washington Post, Public Broadcasting System, Los Angeles Times, Wall Street Journal, NBC-TV, Business Week and BNA Reports.

The increased coverage of the 1982 regional conferences over 1981 was undoubtedly due to the AFL-CIO's efforts to prove that President Reagan was wrong on the revolutionary economic policies he put in place a year earlier. But Kirkland's appearance on picket lines in Louisville, Phoenix and Hartford also helped, especially since the bus rides invariably gave reporters a chance to sit with him as much as an hour.

In contrast to 1981, when access to Kirkland was limited to a speech and press conference on the same evening, the 1982 schedule made Secretary-Treasurer Donahue and Kirkland available for press conferences at noon on separate days in addition to a closing rally open to the press.

The difference between the cities visited in 1981 and 1982 also contributed to better press exposure. Media interest was far more extensive, for instance, in slightly smaller metropolitan areas. Other factors included the fact that the Houston Organizing Project acclimated the entire state of Texas to labor issues.

The stories about the 1982 regional conference contained expected errors by reporters who don't cover AFL-CIO officers regularly, but the reports were by and large honest, straightforward and factual. Criticisms, if any, qualified as fair comment—and that could not be said of the coverage the previous year.



Evaluation by Participants

Delegates to the last three conferences (Birmingham, Houston and Hartford) were requested to complete evaluation sheets on the conference sessions. Participants were asked to list their union affiliation, state and whether they had attended AFL-CIO conventions and/or the 1981 regional conferences. They were not asked to give their names.

Although the evaluations were distributed at only three of the seven conferences, 342 sheets were collected—or approximately 10 percent of the total 1982 participation. Of those who responded, roughly half had not attended the 1981 regional conferences or any AFL-CIO convention.

The responses indicated almost unanimous support for the conferences with criticism limited in most cases to the size of meeting rooms and the lack of sufficient advance notice on topics to be covered.

Unlike 1981, most of this year's conference dealt with specific tools to use in political campaigns. As a result, there was more "teaching" and less two-way dialogue than in the previous year. The participants seem to divide evenly between those who desire more "sharing of views" and those who seek more detailed explanations of AFL-CIO programs. While a substantial number of participants suggested fewer—and larger— workshops, there was no agreement on what workshops should be eliminated since opinions reflected individual interest.

Of the 11 workshops listed on the evaluation sheet, the request for additional emphasis on specific subjects covered the range of issues. Some 14 percent of the participants suggested that "more time" be spent on COPE programs. Organizing, economics, communications, and legislation each was listed by at least 10 percent of the respondents as needing more time.

What they would want "less time" spent on was unanswered by most of the participants. Those who did respond mentioned specific parts of the COPE program. Others reported "everything was O.K." One delegate answered: "lunch."

Material prepared for the delegates received high marks with the congressional profiles receiving the greatest mention, followed by the analysis of "Reaganomics" and the AFL-CIO's alternative program. Many of the delegates commented that they planned to reproduce specific parts of the material and distribute it to local union and central labor council members. A Food & Commercial Workers delegate from Texas remarked: "The conference was great, however, I am suggesting that each representative carry a hand stapler."

Comments on the individual workshops were almost all favorable. Most participants gave "good" ratings to the sessions they attended, although some suggested that there be fewer mandatory sessions and more workshop selection by the individual participants. Again, many of the delegates ranked the workshops by the degree of group discussion with some urging more participation and some less. A number of those attending the "economic issues" workshops commented that some delegates required more emphasis on basic issues while others sought more technical information. The workshop on communications received special praise indicating continued high interest in developing programs that will reach the rank-and-file membership.

In general, the evaluation sheets urged continuing the regional conferences on an annual basis, but moving the location to smaller states so different participants could attend. A number of comments called for more motivation to go with the "how to" sessions. Other emphasized the need to reach out for rank-and-file opinions, develop better political unity within the labor movement, increase the effectiveness of central labor councils, and educate younger union members.

Three points were made repeatedly at the end of the survey sheets: a determination to take conference material back to the membership; a new pride in the labor movement; and the importance of the leadership listening to the views of the membership. A few quotes serve as examples.

"I will be able to go back to my local with a lot of very good material that we can work with."

"This is my first conference. I met a lot of labor leaders and gained ideas to take back to my local."

". . . Renewed my hopes and views on helping my community and state get a better outlook on the political process."

"Well hurray. I believe you people are making the AFL-CIO what it should be—the activist, leading organization we must have . . . keep it up and keep listening to our field people."

"The labor movement is beginning to come alive because of the current economic crisis."

"Excellent training, learned a lot and feel a little prouder to be a union member."

"I think the idea of bringing national leaders in direct contact with the rank and file is one of the better ideas of the decade. It gives the membership a sense of being in the true mainstream of things and it makes the national not seem like a foreign entity. Keep it up."

"Eyeball to eyeball with Lane and Tom is encouraging to us because they listen and respond."

"Continuing the regional meetings, supported by genuine interest on the 'highest level' is so reassuring to the grass roots activists."

"Having our leaders lead the programs gives *them* class. It helps *us* all."

The suggestions made in the evaluation sheets will be used in planning the 1983 regional conferences.

Donahue Tells Congress

Child Labor Rules Seek Cheap 'Kiddy Workers'

(Continued from Page 1)

ate a kiddy work force, it should be prepared to consider what 7.5 million potential part-time workers — full time during vacations — would do to the current employment-unemployment situation," Donahue said.

THE PRIME activity of 14- and 15-year-olds should be education, he told the committee, disputing Administration claims that the new longer hourly standards would not interfere with study or homework or that relaxed entry into hazardous jobs would not hurt their health and well-being.

The Labor Dept. has no factual evidence to support those claims, Donahue said, adding that the new rules are "designed to please" the fast-food chains, amusement parks and other industry groups, including laundry and dry cleaning, computer and data processing services and messenger services.

"It is not surprising that the first attempts to weaken the Fair Labor Standards Act are directed at supplying cheap labor for the retail and service industries," Donahue said.

He cited data from the Minimum Wage Study Commission which reported to Congress in 1981 that more than half the minimum wage violators and two-thirds of the overtime violators in 1979 were from those industries.

DONAHUE SAID the proposed regulation that would allow waivers of all restrictions amounted to "an 'open door' to child labor abuse." The action is likely to be illegal under the 1938 Fair Labor Standards Act, he suggested.

Dropping the annual certification requirement for subminimum wage employers would gut the system used to provide data that determines the allowable number of student hours and would throw enforcement of that provision "on faith, not fact," Donahue told the committee.

He pointed out that the law covering full-time student workers limits them to 20 hours a week, while the Labor Dept.'s new scheme would let 14- and 15-year-olds work 24 hours in a school week. The department "is attempting to amend the law through regulations."

THE SAME principle is at work for business groups that have been pressing for a general subminimum youth wage. Donahue said.

He noted that industry representatives "were conspicious by their absence" at 1981 Senate hearings on the subminimum wage.

"They had apparently decided," he said, "that they could achieve what they wanted through the back door of the Labor Dept. instead of through a public airing of their views before a committee of the Congress."

IF THE ADMINISTRATION wants to "rewrite labor legislation without input from Congress," Donahue said, it should look at the July 22 decision in a federal court which barred attempts to gut the Davis-Bacon prevailing wage law because the Labor Dept. had failed to show that the long-term understanding of the law was wrong or that its regulations were ineffective. In addition, the court said the new regulations should be held up because they would hurt workers' income and legal rights.

In other testimony, AFL-CIO Food & Beverage Trades Dept. President Robert Harbrant scored the Labor Dept.'s stated reasons for the changes which amounted to making "life a little easier for employers and to make jobs more available to children" while nothing is being done to create more jobs or reduce massive unemployment.

HARBRANT criticized the vague language of the proposed new rules permitting children to work in hazardous jobs such as cooking, baking, laundry and dry cleaning.

He stressed that federal statistics show those industries remain dangerous. The number of lost workdays due to occupational illness or injury in baking, he pointed out, is higher than mining, construction or manufacturing.

No protection is provided, Harbrant said, for children in a hazardous workplace from being coerced into doing other prohibited work.

The retail and service trades, contrary to popular opinion, "are not safe and pristine workplaces," but are "among the hardest hit by crime in our nation," Harbrant pointed out. Death by gunshot is the second leading cause of fatality in these trades, he said.

The hearings were chaired by Rep. George Miller (D-Calif.) who branded the Administration proposal a switch from Reaganomics to "Faginomics," referring to the child labor exploiter in "Oliver Twist."

CHILD LABOR REGULATION changes sought by the Labor Dept. are an "open door" to abuses, AFL-CIO Sec.-Treas. Thomas R. Donahue warned in testimony before a House Labor Standards subcommittee. With Donahue are AFL-CIO Legislative Director Ray Denison and Clara Schloss, the federation's labor standards consultant.

N.Y. Chinatown Workers Squelch Employer Holdouts

New York—More than 15,000 members of the Ladies' Garment Workers joined a march led by a traditional dragon through the streets of Chinatown here and helped the district's garment workers win an improved contract over stiff employer opposition.

The mid-July rally for the area's garment workers was organized by ILGWU Local 23-25, the second protest in three weeks, in response to a two-day lockout staged by a group of Chinatown employers who were trying to force employees to agree to a contract substantially weaker than the industry-wide agreement approved by the union and employer associations in May.

CHINATOWN garment employers had twice voted down the industry agreement which covers 150,000 workers in four Mid-Atlantic states, but the majority later signed interim agreements with the union, Local 23-25 Manager Jay Mazur said.

Within hours after the 10-block march, he said, all the contractors had signed agreements, including the holdouts.

At the rally, ILGWU President Sol C. Chaikin pledged strong union-wide support, assuring the workers "your struggle is every worker's struggle."

MAZUR TOLD the rally that the union would not accept an inferior contract for any group of workers, and that the holdout employers were wrong in thinking that Chinatown's workers "will accept less, that these workers deserve less."

The new agreement provides an hourly wage hike of $1.10 over three years, an improved cost-of-living adjustment, Chinese New Year as a paid holiday, increases in holiday pay and establishment of a health and safety fund.

Oregon Labor Federation Backs Candidates, Sets Goals

North Bend, Ore.—Delegates to the Oregon AFL-CIO's 27th annual convention voted to raise the monthly per capita tax by 5 cents, renewed a 1-cent organizing assessment and spelled out labor's position on state economic development, taxation and workers' compensation.

Effective Aug. 1, affiliates will pay 51 cents per member to the state labor federation with 45 cents going into the general fund, 5 cents into a political action fund to assist endorsed candidates and 1 cent into the organizing fund.

THE 326 DELEGATES endorsed the election of State Sen. Ted Kulongoski for governor—over incumbent Republican Gov. Victor Atiyeh—and five other Democrats for Congress.

But in seeking labor's endorsement, Atiyeh pointed out in an address to the convention his differences with Reagan Administration economic policies which have depressed Oregon's timber-base economy.

Three incumbent congressmen were endorsed for re-election—Les AuCoin, Ronald L. Wyden, and Jim Weaver—along with State Sen. Ruth McFarland and rancher Larryann Willis.

Fifty-four Democrats and three Republicans were endorsed for the state legislature.

TWO MEASURES put on the Nov. 2 ballot by initiative petitions—self-service gasoline and a 1.5-percent property tax limitation—were opposed by the convention. Endorsed was an initiative-spawned ballot measure which calls for a verifiable freeze on nuclear weapons.

Delegates adopted a detailed economic development policy paper which among other things calls for use of public employee retirement funds to stimulate the state's economy through investment in construction mortgages. The report also advocates legislation requiring advance notice on plant closings, worker retraining and tax penalties.

In adopting a taxation policy, delegates opposed a state sales tax that has been proposed by business leaders, called for re-shifting the burden of taxes "onto those best able to pay" and urged closing tax loopholes for corporations and wealthy individuals.

One-fourth of the convention's 80-some resolutions urged improvements in job safety and health procedures and in the administration of the worker compensation system, including the elimination of private insurance carriers.

Sam Dominy of the Woodworkers was elected to the executive board to succeed Douglas Dinsmore, who had been appointed by the governor to the state parole board. State AFL-CIO President Irvin H. Fletcher. Sec.-Treas. Robert C. Baugh and other officials were not up for election this year.

August Calendar Listed By Labor Studies Center

An institute on preparing and presenting grievance arbitration cases and a workshop on newswriting and editing for union publications highlight August activities at the George Meany Center for Labor Studies.

Nine AFL-CIO affiliates and the American Institute for Free Labor Development (AIFLD) will use the center's facilities for their own training programs during the month. The schedule:

Arbitration: Preparation & Presentation, Aug. 15-20—A program concentrating on the presentation of mock cases before professional arbitrators who share their knowledge with the participants. The exercises are videotaped so participants can see themselves in action.

Newswriting & Editing for Union Publications, Aug. 15-20—An opportunity for labor editors seeking to make their publications more readable, more credible and more useful to their readers. Separate sessions are devoted to editors' legal problems and to postal costs.

Affiliates using the Silver Spring campus during August are: Clothing & Textile Workers, Aug. 1-5; Railway & Airline Clerks, Aug. 1-6; Operating Engineers, Aug. 8-13; Building & Construction Trades Dept., Aug. 8-13; Government Employees, Aug. 8-13; Boilermakers, Aug. 22-27; Flight Attendants Aug. 30-Sept. 2, and directly affiliated Brewery Workers locals, Aug. 31-Sept. 3.

AIFLD will open its 104th program for Latin American trade unionists on Aug. 23. The Spanish-speaking labor leaders will be on campus until Sept. 25.

Information on these or other labor studies programs may be obtained from Fred K. Hoehler, Jr., Director, George Meany Center, 10000 New Hampshire Ave., Silver Spring, Md. 20903. Telephone 301/431-6400.

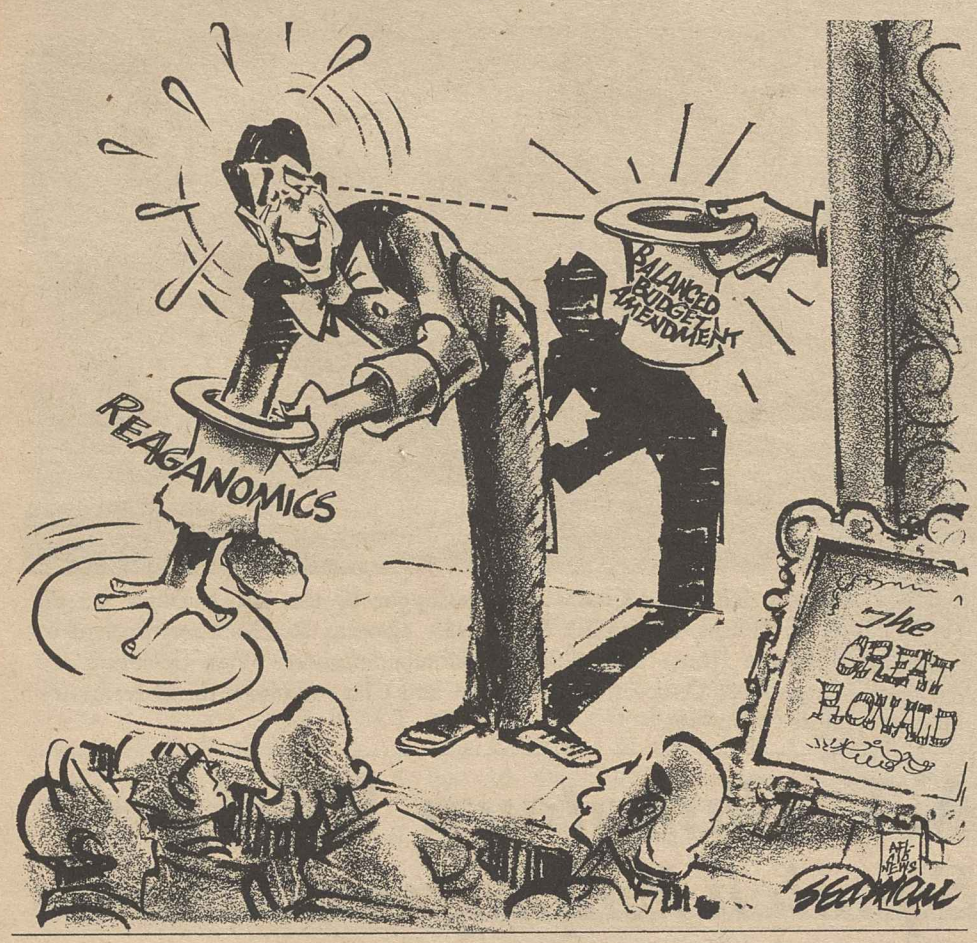
'Front Page' Award Goes to James Shevis

James M. Shevis, an assistant editor of the AFL-CIO News, has won first prize for non-daily labor reporting in the annual "Front Page" competition of the Washington-Baltimore Newspaper Guild.

The award was based on work written in 1981, including articles on Pope John Paul II's encyclical in defense of workers' rights and the American labor movement's protest of the communist crackdown on Poland's free trade union, Solidarity.

Shevis, 52, has been on the staff of the News since 1972.

'And Now, for My Next Trick . . .'



Industrial Homework Ruling Seen Turning Calendar Back

A federal district judge's decision that the Labor Dept. acted within its authority in lifting a 40-year-old ban on industrial homework in the knitted outerwear industry is "very disappointing," President Sol C. Chaikin of the Ladies' Garment Workers declared.

Chaikin said that the department's 1981 regulatory change "turns the calendar back to the darkest days of garment sweatshops," and added:

"IT TAKES advantage of the most deprived members of our society—undocumented aliens, the poor, and the unprotected—and deprives thousands of factory workers of decent jobs and conditions of employment."

Chaikin's comments came after U.S. Judge Louis Oberdorfer in Washington, D.C., upheld the Labor Dept. ruling to allow commercial knitting of sweaters, scarves, and other items at home. ILGWU and the Clothing & Textile Workers, along with two employers' associations and the states of New York and California, had filed a suit against the department seeking to halt the regulatory change. Oberdorfer's decision could be appealed.

The knitted outerwear industry was one of seven industries deemed by a tripartite board representing workers, employers, and the public in 1942 to have suffered chronically and inherently from industrial homework in those industries. In finding cases of employers failing to pay minimum wage and overtime, and child labor law violations, the panel concluded there was no way to effectively enforce the Fair Labor Standards Act in the home in those industries. It imposed a ban on industrial homework in the seven industries, six of which were in the apparel field.

WHEN PRESIDENT Reagan assumed office, Labor Sec. Raymond J. Donovan proposed a regulatory change to lift the ban. After receiving comments opposing the move, the Labor Dept. kept the ban in place on all but knitted outerwear.

ILGWU and the other plaintiffs based their objections to the regulatory change on the grounds that Donovan had acted arbitrarily and without a sufficient record to justify the lifting of the ban. They also cited a 1949 amendment to the FLSA barring removal of the ban, and said that Donovan should have requested the change of Congress rather than through departmental administrative action.

New Regulations 'Deferred'

Davis-Bacon Decision Scorches Labor Dept.

The Labor Dept. has complied with a federal court order and postponed "until further notice" its controversial changes in Davis-Bacon Act regulations for setting prevailing wage rates on federally-funded construction.

A reading of the stinging 17-page decision issued by U.S. District Judge Harold H. Greene strongly indicates that the Labor Dept. will have to go back to the drawing board if it wants to weaken prevailing wage protections that have been in effect since the 1930s.

CHANGES THAT would have pushed down wage rates, allowed employers to substitute low-paid "helpers" for journeymen and abolish record-keeping requirements needed to enforce the law were to have gone into effect on July 27. But Judge Greene granted the request by the Building & Construction Trades Dept., the AFL-CIO and unions whose members are directly affected for a temporary injunction barring the change.

Such an order is appropriate, the judge said, because there is a strong likelihood that the union objections to the regulations will be upheld after a full hearing on the merits.

The Labor Dept. had attempted to justify its changes as a means of saving the government money on construction costs. But Judge Greene pointed out that Congress passed the law to protect wages, not cut costs.

President Hoover was in office at the time the law was passed and the judge noted that Congress then ignored his objections that a prevailing wage requirement would burden taxpayers. And in succeeding congresses, he observed, the Davis-Bacon Act was "further strengthened . . . never repealed, modified or weakened in any way."

THE POLICIES the regulations would change have been in effect for some 47 years, he noted, and the Secretary of Labor hasn't met the burden of justifying rewriting them. "Under our constitutional system, policy decisions are not made by government administrators; they are made by the Congress," the court stressed.

In another area, on the free use of helpers, the court's decision quoted from an affidavit submitted in support of the unions' position by former Sec. of Labor John T. Dunlop.

Dunlop, an authority on the construction trades, said the proposal to allow contractors to substitute low-paid helpers crossing craft lines gives employers who take advantage of the option a competitive advantage and "has the consequence of undermining prevailing recognized local practices and wage rates."

AS FOR THE elimination of weekly payroll records now required of Davis-Bacon Act contractors, the court said: "It appears, contrary to the Secretary's position, that actual payroll information is essential to the achievement of the Act's purposes."

The Labor Dept.'s protest that a delay in the regulations would be costly to the government brought the court's rejoinder that workers would be the losers if the regulations were allowed to go into effect, and subsequently invalidated. And it is the workers that Congress sought to protect, Judge Greene reminded the Labor Dept.

New Price Hikes Erode Workers' Take-Home Pay

(Continued from Page 1)

auto finance charges rose sharply in June following declines earlier this year. Charges for auto insurance and auto maintenance and repair costs also climbed more sharply than in recent months.

Transportation costs overall rose 2 percent in June, compared to a rise of five-tenths of 1 percent in May. Clothing prices rose two-tenths of 1 percent after falling four-tenths of 1 percent the month before. Entertainment costs increased seven-tenths of 1 percent, after rising only two-tenths of 1 percent in May.

Medical care costs rose nine-tenths of 1 percent in June, about the same as in recent months. Charges for medical care are the only major component of the CPI not to fall in the last 18 months. Costs have risen 11.4 percent in the last 12 months.

Grocery store food prices increased seven-tenths of 1 percent in June, reflecting sharp price increases for meat, fresh fruits and vegetables, poultry, eggs, and bakery products. Dairy prices fell slightly and non-alcoholic beverage prices declined seven-tenths of 1 percent.

In the 12 months ended in June, the CPI rose 6.9 percent. Over the three-month period ended in June, the index had risen at a compound annual rate of 8.9 percent.

Union-Busters 'Welcomed' to Federal Charity Drive

(Continued from Page 1)

ticipate in any or all of more than 500 separate fund drives in communities with concentrations of federal workers. A supervisory board of agency representatives, which may include local union officials, rules on the applications. Acceptance is supposed to depend on a presence in the community, either through a local office or in services easily available to those in need.

Once accepted, an organization is entitled to a listing in the brochure distributed to federal employees along with a self-written short summary of its program. An employee may designate any or all of a contribution to go to one or more of the listed organizations.

THE SUPERVISORY board also chooses one umbrella organization, usually the United Way, to allocate the undesignated contributions, which last year amounted to about half the total. The local organization uses a formula based on past allocations to distribute funds that aren't earmarked to the traditional charitable health and service organizations. This leaves the more controversial groups dependent on earmarked contributions.

Kirkland said the AFL-CIO's initial review of the government's own regulations "indicates that the right-to-work fund does not meet the requirement that participating agencies be of use to federal workers and their families."

The R-T-W fund's stated purpose is to oppose what it calls "compulsory unionism," Kirkland noted. "But no form of union security—the closed shop, the union shop or the agency shop—is permitted in the federal sector. Union membership for federal workers by law is voluntary," Kirkland stressed. And thus the fund "is an irrelevancy" in terms of service to federal employees.

KIRKLAND NOTED the irony of the right-to-work group's participation in the federal charity drive at a time when the Administration is cutting back government services to the needy.

The AFL-CIO News inspected the documents submitted by four conservative groups in support of their successful applications for inclusion in the Combined Federal Campaign.

These are some of the gleanings:

- The National Right to Work Legal Defense & Education Fund included its 1981 annual report proclaiming its "ultimate goal" as the day when all workers will be "free from harassment, coercion and violence by corrupt agents of Big Labor."
- The Pacific Legal Foundation said it was set up in 1973 to preserve "traditional American concepts of free enterprise and private property rights." It engaged in litigation supporting California's Proposition 13 limits on taxes, in suits against agency shop "representation fees" for teachers and against the United Farm Workers. It opposes "over-regulation and excessive government regulation."
- The Capital Legal Foundation is a conservative-oriented outfit that calls itself "a public interest law firm concerned with a fair, free market approach to federal regulation." Its newsletter pushes heavily for legislation that would require suits against the United States to be heard in a federal court located in the area most directly affected instead of in Washington.
- The Conservative Legal Defense & Education Fund says it was set up "to receive contributions for the support of organizations which advance, support and promote the goals of limited government and family values." But it hasn't any track record because it was only incorporated a few weeks ago and, the application states, "was not operational prior to that date."

Devine also welcomed to the fund drive the National Right to Life Education Foundation, which he said would offset the "detestable" role of the Planned Parenthood organization, which he regretted not being able to drop from eligibility.

Unions Give $51,000 to Vietnam Vets Memorial

AFL-CIO unions have contributed $51,000 to the Vietnam Veterans Memorial and sponsors of the labor-endorsed project report all construction on schedule in the nation's capital.

Sandie Fauriol, director of the National Salute to Vietnam Veterans, said in a letter of thanks to AFL-CIO President Kirkland that union members "can be very proud of this remarkable show of support for those who served their country in Vietnam."

The National Salute, another project of the Vietnam Veterans Memorial Fund, will be a series of events in Washington, D.C., starting Nov. 10, the eve of Veterans Day, and running through Sunday, Nov. 14.

Charity Begins at Home

THE REAGAN ADMINISTRATION'S favorite charities, we now discover, include the National Right to Work Legal Defense Fund and other far-out advocacy groups.

They were given a "special welcome" by the director of the federal Office of Personnel Management, who approved their applications to participate in the Combined Federal Campaign. This is the annual charitable fund drive that raises close to $100 million a year in voluntary contributions.

Thus, federal workers next October will be invited to make payroll deduction contributions to further the Right to Work fund's proclaimed goal of liberating America's workers from "harassment, coercion and violence by corrupt agents of Big Labor."

OTHER NEW GROUPS that will be seeking the federal employee dollar have as their declared intent slashing government programs and ending government regulations.

OPM Director Donald Devine, who had ties with the Right to Work Committee before he joined the Reagan Administration, said this exemplifies "the spirit of voluntarism."

More apt is Lane Kirkland's rejoinder that welcoming in such groups "mocks the humanitarian mission of the Combined Federal Campaign."

Lesson in Union-Busting

THE RIGHT TO WORK Committee would surely applaud the manner in which Iowa Beef Processors, Inc., is seeking to free its employees from "harassment" by a union.

Iowa Beef forced the workers in its big Dakota City, Neb., plant out on strike by its brazen insistence on a four-year wage freeze. The two-year pay freeze the union had reluctantly agreed to accept was not sufficient, management said.

NOW THIS IS NOT a company that was losing money and in need of union concessions to survive. Iowa Beef posted a $58 million profit last year, and management's only complaint was that the profit margin wasn't high enough.

Nor is this a company that had become uncompetitive. Its equipment is modern and it has broken down its jobs so that its pay scales are lower than its meatpacking industry competitors.

But this is a company that has repeatedly shown its hostility to unions, that has compelled its workers to strike for every single contract gain in a 20-year bargaining relationship.

Now, with the Reagan Recession having spread unemployment through the surrounding area, Iowa Beef has set out to crush once and for all the Food & Commercial Workers local that represents its employees.

YOU MAY HAVE SEEN on television news programs scenes of supposed "violence" involving some angry pickets pelting cars of scabs and being arrested by helmeted state police.

Inside cars speeding through the picket lines have been strikebreakers the company recruited from the unemployment lines with the promise of permanent jobs—at wages $2-an-hour less than the starting rate in the expired union contract.

That's "right to work" in action, shorn of any pretense.

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'Sure, I'm a Charity!'

Washington Window

Sharp Rise in Poverty Rolls Traced to Reagan Recession

By Press Associates, Inc.

AMERICA IS LOSING its war against poverty. It's difficult to escape this conclusion in reading the findings of a Census Bureau survey.

The bureau reported that the number of Americans whom the government classifies as poor has been on the rise since 1979.

During 1981, the report said, the number of poor grew by about 2.2 million over 1980—a 7.4 percent increase. Last year 14 percent of the population, or almost one American in seven had an income below the federal government's poverty threshold.

THE RISE in poverty has reversed the pattern during the 1960s and 1970s when fairly strong economic growth and an array of federal anti-poverty programs combined to enable millions to escape the ravages of poverty.

In 1960, the year John F. Kennedy was elected president, about 22 percent of the population was classified as poor. By 1967, three years after Congress enacted the first of Lyndon Johnson's Great Society programs as well as landmark civil rights legislation, the poverty rate had dropped to 14.2 percent, just above the 1981 level.

By 1973, the year Richard Nixon resigned the presidency, the poverty rate had fallen to 11.1 percent. It appeared to many that the nation was winning the battle to abolish poverty.

But with the 1973-75 recession and the leveling off or trimming of programs to help the poor and boost the economy, the poverty rate held steady while the absolute number of poor inched upward.

RISING INFLATION, led by soaring energy prices during the 1970s, lifted the cost of living and the official poverty threshold. In 1980, the poverty rate climbed to 13 percent of the population partly because of a brief but sharp recession during the first half of the year. Double-digit inflation, which began in 1979, was also to blame.

A brisk recovery from the 1980 recession beginning that summer was aborted by yet another recession which took hold in July 1981. The first back-to-back economic downturn in over 60 years has been branded the Reagan Recession because it resulted more from Administration policies than from the usual business cycle.

The Reagan tight money policy, combined with huge deficits caused by tax giveaways to the rich and increased defense spending, has depressed the economy by keeping interest rates high.

The jobless rate moved steadily upward. The term "new poor" entered common usage as mass unemployment spread among stable workers in the construction, auto, steel, trucking and other industries.

A MAJORITY OF THOSE slipping into poverty last year were children, so that almost one child in five in the United States was classified as poor. Those under age 18 below the poverty level rose from 18.3 percent to 19.8 percent in 1981, or from 11.5 million to 12.3 million children.

The bureau reported that last year nearly half of all families below the poverty line were maintained by women with no husband present. The number of female-headed households rose from 11 percent to 14 percent of all households between 1970 and 1980.

The elderly were the only group whose poverty rate was lower in 1981 than in 1980. The age 65-and-over poor declined from 15.9 percent to 15.3 percent. The elderly's ability to stay above poverty can be attributed mainly to social security benefits, which are indexed to inflation.

While the rise in poverty in 1981 resulted largely from the Reagan Recession, these poverty figures just begin to reflect the loss of income caused directly by large-scale social program cutbacks, such as the CETA public jobs program. This is because these cuts didn't take effect until Oct. 1, 1981, at the earliest.

THUS WE MAY expect to find a further increase in poverty in 1982 when the Census Bureau issues its next report.

Also, the poverty numbers won't say anything about the loss of such vital in-kind benefits as Medicaid, food stamps and housing assistance under this Administration. The Census Bureau estimates that in 1982, only two-fifths of the nation's poor will receive any of these benefits, down from three-fifths in 1980.

AFL-CIO LEGISLATIVE ALERT!

Congress Weakening on Balanced Budget Amendment

Ignoring the warnings of the vast majority of top economists, including several Nobel Prize winners, the Senate appears likely to buckle under political pressure and approve S.J. Res. 58, the Constitutional amendment to force balanced federal budgets. Unless the amendment is stopped in the House, Reaganomics could be written into the Constitution.

Supporters of the amendment are trying to grease the skids for passage in the House. The House Judiciary Committee has not approved the measure, so backers are trying to thwart traditional procedure and bring H.J. Res. 350 to the House floor through a "discharge" petition. The discharge petition would prevent attempts to amend H.J. Res. 350 on the floor.

WHAT YOU CAN DO: Urge your Representative to refuse to sign the petition to "discharge" H.J. Res. 350, the balanced budget Constitutional amendment, from the Judiciary Committee. And urge opposition to the Constitutional amendment if it should reach the floor.

GOP May Try To Force Van de Water Nomination

The Senate Republican leadership reportedly may soon try to bring to the floor the nomination of union-busting management consultant John Van de Water for chairman of the National Labor Relations Board. Last year the Senate Labor Committee rejected the Reagan nomination after the AFL-CIO produced evidence showing him to be an anti-union partisan. Such biased views are clearly inappropriate in the NLRB.

Experts in Congressional procedure believe that if Van de Water is not confirmed this year by the 97th Congress, his nomination cannot be resubmitted next year. So any move to push through the nomination now must be stopped.

WHAT YOU CAN DO: Urge your Senators to oppose the nomination of John Van de Water for NLRB chairman, and to oppose any discharge motion to bypass the Labor Committee and bring the nomination to the floor.

Act Now on Maritime Jobs, UI Compensation Bills

MARITIME INDUSTRY: The FY 1983 maritime authorization may be taken up as early as next week. The House bill, H.R. 5723, is superior to the Senate version. It would provide necessary construction and operating subsidies while ending the "build foreign" provision. It is a first step toward restoring jobs in maritime and supplier industries. But it faces a tough fight, with the Reagan Administration seeking changes.

WHAT YOU CAN DO: Urge your Representative to support H.R. 5723, the maritime authorization bill, and to reject weakening amendments, especially any "build foreign" amendment.

13 EXTRA WEEKS OF UNEMPLOYMENT COMP.: Bills to provide emergency UI benefits for those who have exhausted all other benefits are moving in the House and Senate. Urge your Senators to support S. 2550, your Representative, H.R. 6369.

ANTI-RACKETEERING BILL: The Senate passed by voice vote S. 1785, Sen. Sam Nunn's (D-GA) bill to provide strict sanctions against union representatives or employers who abuse the trust placed in them by union members. The AFL-CIO had testified in general support of the bill.

LONGSHORE COMPENSATION: S. 1182, amending the Longshoremen's and Harbor Workers' Compensation Act, recently passed in the Senate. This legislation will be the subject of upcoming hearings in the House.

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GOP Senators Toe Reagan Line, Raise Your Taxes

With only two exceptions, Senate Republicans again toed the Reagan line, this time voting to save huge tax cuts for the wealthy while raising your taxes and cutting Medicare.

The key vote came as the Senate considered tax hikes called for by the GOP budget resolution. The Senate Finance Committee had recommended a package, below, that included some unfair tax increases as well as some worthwhile loophole-closers. Sen. Bill Bradley (D-NJ) offered an amendment to remove the harmful tax increases, and to make up the revenue by limiting next year's tax cuts for the wealthy--while maintaining full tax cuts for those who earn less than $46,500 per year.

In a party-line vote, Republicans showed that they prefer to dump higher tax burdens on you. The Bradley amendment failed, 45-54.

WRONG VOTES ON THE BRADLEY AMENDMENT:
Every Republican except Weicker (CT) and Hatfield (OR)
CORRECT VOTES ON THE BRADLEY AMENDMENT:
Every Democrat except Zorinsky (NE) and H. Byrd (Ind.-VA)

SENATE PACKAGE OF TAX INCREASES, MEDICARE CUTS

- Telephone use: Doubling, and later tripling the federal tax on telephone rates
- Tobacco: Doubling the federal tax on cigarettes to 16 cents per pack
- Medicare: Higher premiums and out-of-pocket costs
- Medical expenses: Reduced deductibility
- Unemployment taxes: Higher employer contributions

- Tax "leasing": Reform of Reagan provision that allowed profitable corporations to pay no tax
- Interest, dividend income: Automatic 10-percent withholding to ensure greater compliance
- Minimum tax: To prevent cases of high-income individuals paying no tax
- Corporate taxes: To limit last year's "accelerated depreciation" tax break
- Capital gains: Eased rules for taxes on income such as stock market profits

AFL-CIO BACKED BRADLEY AMENDMENT

- Tax increases on working Americans removed: The first 5 provisions of the Senate package, above, would have been removed.
- Tax cuts for the wealthy "capped": The Bradley amendment would have added the following variation of the AFL-CIO proposal for a "cap" on personal tax cuts for the wealthy:
  Incomes above $78,000: Third phase of Reagan tax cut (July 1, 1983) postponed until federal budget achieved balance
  Incomes between $46,500 and $78,000: A portion of the 1983 tax cut would be postponed
  Incomes below $46,500: Full tax cuts maintained
- Other tax hikes unchanged: The provisions of the Senate package to reform tax "leasing," etc., would have been unchanged by the Bradley amendment.

House Democrats Rubber-Stamp Unfair GOP Tax Bill

It came as no surprise that the package of tax increases approved by the Republican-controlled Senate included tax increases for average working families. But it was a great disappointment when the Democratic-controlled House failed to try to repair the damage done by the Senate.

In another display of politics over principle, Ways and Means Committee Democrats agreed to accept the Senate tax bill as is, seeking no amendments or votes on it. The Republicans, of course, are happy.

Democrats wanted to avoid any association with a tax increase in an election year, so they played dead--at the expense of the low- and middle-income taxpayers who will be hit with excise taxes and cuts in deductions in the Senate bill. Thus, in conference, only minor changes can be made and an AFL-CIO type tax cap cannot be offered for a vote by the Committee or in the House.

WHAT YOU CAN DO: Little can be done to improve the bill. Democratic members of the House Ways and Means Committee--except for Cong. Jim Shannon (D-MA)--should be asked why they refused to write their own bill and allow a Bradley-type amendment to be voted upon.

AFL-CIO News

MEMO FROM COPE PAGE 8

Vol. XXVII | Saturday, August 7, 1982 | No. 31

Council Assails Reagan Policies As Cause of 'Domestic Tragedy'

First Anniversary of Reaganomics

"Wake up, Mr. President. Your economic program's not working. We need jobs."

That's the message these steel and auto workers from Maryland, Delaware and Pennsylvania brought to the gates of the White House at 4 a.m. on Aug. 4. The date marked the first anniversary of the enactment of the President's Economic Recovery Tax Act, which brought huge windfalls to the rich but unemployment and high interest rates to the rest of America.

After their wake-up call at the White House, the union members moved on to the Capitol for early-morning coffee and donuts with congressmen.

Asks Emergency Aid For Recession Victims

By John M. Barry

New York—The AFL-CIO sharpened its attack on the Reagan Administration's economic policies for creating a "huge domestic tragedy of unemployment" while transferring income from workers and the poor into the pockets of rich individuals and corporations.

The Executive Council renewed organized labor's call to Congress to reverse the course set by President Reagan and pledged an unrelenting fight for economic and social policies that will halt the recession and ease the suffering of its victims.

Just three days after the council spoke out on the human toll of rising joblessness, the Bureau of Labor Statistics reported that the nation's unemployment rate continued to mount in July, reaching 9.8 percent, with 10.8 million Americans officially classified as jobless. **(Story this page.)**

THE COUNCIL accused the Administration of "empty slogans and hollow promises of better days ahead" that fail to conceal the devastating effects of the recession on American families.

"The lowest-paid workers have been hurled into a frightening abyss of subpoverty," the council said in a statement at its summer meeting here. "They are being joined increasingly by workers with valuable, hard-won skills who previously had a respected place in the community.

"For all groups, the damage is magnified by the deep budget cuts in social programs at the exact moment the recession makes them so needed. These are the very programs workers have paid for throughout their lives."

THE STATEMENT on the "Reagan Recession and Its Victims" was one of 16 on domestic and international concerns adopted by the council. It also received committee and staff reports and took action on trade union matters as detailed in stories elsewhere in this issue.

AFL-CIO President Lane Kirkland, at daily news conferences during the three-

(Continued on Page 3)

Jobless Rate Hits 9.8% as Layoffs Soar

The nation's jobless rate climbed to 9.8 percent in July as 10.8 million Americans hunted for work in an economy ravaged by layoffs and plant closings.

The Bureau of Labor Statistics reported that the number of unemployed was up 360,000 from the previous month, when the rate was 9.5 percent. Unemployment was 2.9 million more than a year ago, when the rate was 7.2 percent.

AFL-CIO PRESIDENT Lane Kirkland termed the "shocking" rise in unemployment a call for Congress "to reverse the devastating, discredited policies of the Reagan Administration."

July's unemployment rate, the highest since the depression 41 years ago, translates in human terms to "a line of jobless men and women 4,000 miles long, stretching from coast to coast and from Canada to Mexico," Kirkland said.

"Even that is incomplete," he noted. "To the 10.8 million officially reported as un-

(Continued on Page 6)

General Board to Weigh Early Endorsement Plan

New York—The question of a pre-primary endorsement by the AFL-CIO in the 1984 presidential election will be put to the federation's General Board, expanded to include state and local central body officers, at a meeting early in December 1983, the Executive Council voted.

The council unanimously approved the scheduling of the General Board meeting along with other recommendations of its Political Works Committee and will draft a resolution for the federation's October 1983 convention calling the meeting and setting a specific date and place.

THE BOARD, under the AFL-CIO constitution, consists of members of the Executive Council and the principal executive officers of national and international union affiliates. The council voted to expand this body for the endorsement meeting to include the chief officers of state and local central labor bodies, each of whom will be entitled to a single vote as at AFL-CIO conventions.

Voting by affiliated unions will be weighted according to membership per capita payments to the federation. AFL-CIO President Lane Kirkland will cast the votes of Directly Affiliated Local Unions on the same weighted basis.

A two-thirds vote will be required for an endorsement, as is the case in all COPE endorsements.

KIRKLAND stressed at a news conference, however, that the proposition before the General Board meeting will be whether a pre-primary endorsement is desirable and feasible.

"All the options are open" he said.

(Continued on Page 3)

Senate Backs Budget Plank, Labor Asks House Rejection

By David L. Perlman

It's up to the House now to block a balanced budget constitutional amendment that the AFL-CIO charged would leave the nation helpless against recession and hamstrung in its ability to respond to military threats.

The Senate approved the amendment by a 69-31 vote, which AFL-CIO President Lane Kirkland assailed as "political cowardice" and "a flight from responsibility." It still must get a two-thirds approval in the House before it can be sent to the states for ratification.

ON THE DAY the Senate acted, AFL-CIO Vice President Gerald W. McEntee urged the House Judiciary Committee to show the courage the Senate lacked and kill the amendment.

McEntee, who is president of the State, County & Municipal Employees, took time out from the Executive Council meeting in New York to testify on behalf of the AFL-CIO at the House hearings. The Senate-passed amendment would "lock our country into a course of social and economic disaster," he warned.

In New York, the Executive Council followed up a resolution strongly critical of the proposed amendment with telegrams to senators before the vote warning of the "massive damage" that would be caused by such a defacing of the Constitution.

(Continued on Page 2)

8/7/82

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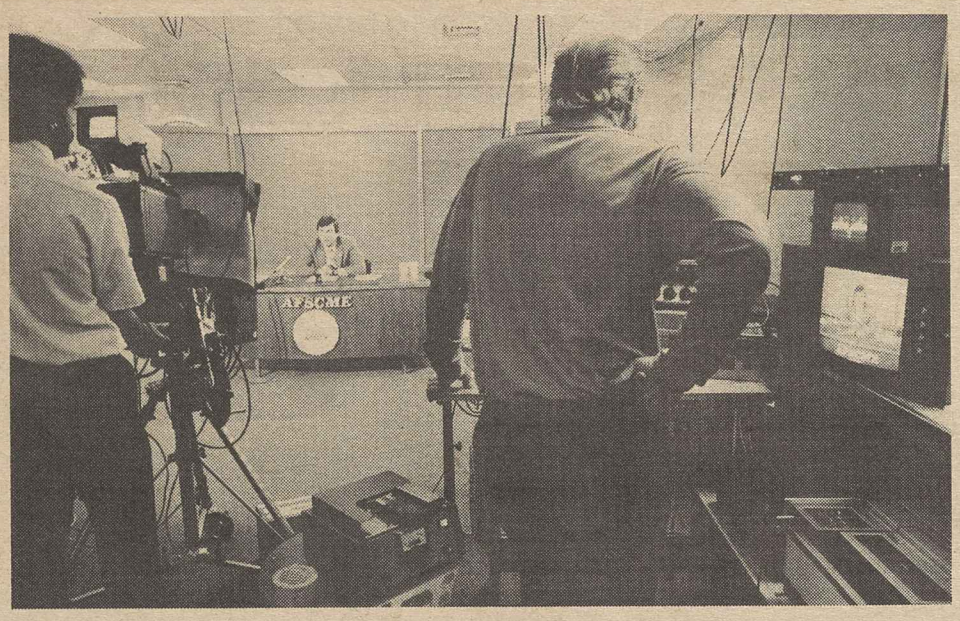
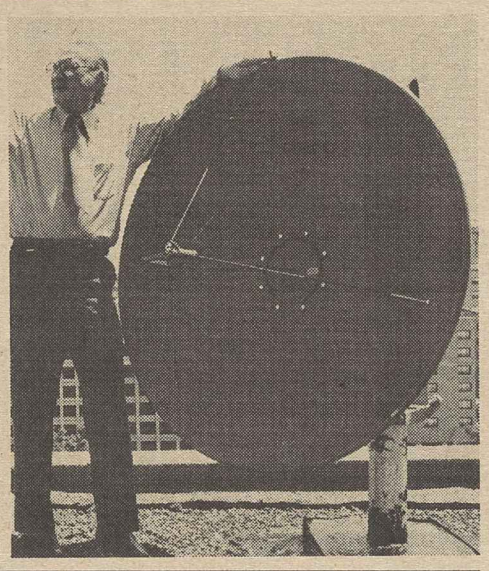




ON THE AIR with the labor movement's first nationwide satellite news broadcast is President Gerald W. McEntee of the State, County & Municipal Employees in AFSCME's headquarters studio. McEntee outlined the devastating effects of the Reagan Administration's programs and policies not only on public workers but on the nation. AFSCME beamed its Labor News Network broadcast to commercial, cable and public television stations via its rooftop satellite signal "dish," demonstrated here by the program's manager, Jim Dunn.

Structure, Program Outlined

Public Affairs Institute Director, Board Named

New York—The AFL-CIO's new Labor Institute of Public Affairs has begun operations with the appointment of Larry Kirkman as executive director and the approval by the Executive Council of a 22-member board of directors.

Accepting a report of its Committee on Public Relations, the council noted that papers incorporating the institute have been filed with the District of Columbia, where the institute will be based at AFL-CIO headquarters.

THE EXECUTIVE board, with Federation President Lane Kirkland serving as chairman, includes 17 vice presidents who are members of the public relations committee and five persons drawn from outside the labor movement, who have already agreed to serve. They are:

- Robben Fleming, a law professor at the University of Michigan and former president of the Corporation for Public Broadcasting.
- Alexis Herman, former director of the Women's Bureau in the Labor Dept. and currently vice president of a Washington consulting firm, Green-Herman & Associates, which specializes in personnel and training issues.
- Caryl Rivers, former Washington newspaper correspondent who is now an associate professor of journalism at Boston University's School of Public Communications.
- Richard Scammon, director of the Elections Research Center in Washington and a former director of the U.S. Census Bureau.
- Kurt Villadsen, director of creative services for CRM-McGraw Hill Productions and partner in Constant C. Productions, Malibu, Calif.

AFL-CIO INFORMATION Director Murray Seeger will be president of the institute and Sec.-Treas. Thomas R. Donahue its secretary-treasurer. There will also be an advisory committee made up of public relations directors of the AFL-CIO's affiliated unions.

Kirkman, the institute's new director, is 36 years old and was educated as a teacher. He holds a master's degree from Harvard and taught school in the District of Columbia where he was a member of the American Federation of Teachers.

He is an experienced producer of television programs and a former professor of media studies and television production at American University. Most recently, he was television and video director of the American Film Institute where he organized the annual National Video Festival held in both Washington and Los Angeles.

He has many television production credits, including a 1980 program, "None of the Above," about non-voters done for the Public Broadcasting System, and "On the Line," a magazine-type show on labor issues, sponsored by six AFL-CIO affiliates.

Kirkman, who has been working as a consultant to the federation's Dept. of Information pending formal establishment of the institute, has proposed for its first television production venture a series of four-minute programs dealing with the crucial issues facing the nation, starting with the many facets of unemployment. These would be distributed for a national audience this fall and again in January.

THE EXECUTIVE Council also reviewed the recent changes in the AFL-CIO News, including the incorporation of Memo from COPE, Legislative Alert, and the Federationist, as well as the new system of free distribution to affiliated unions on the basis of per capita payments.

The report also took note of the federation's audio news service which makes available to radio stations short versions of AFL-CIO statements. These messages are also distributed by communications satellite to nearly 1,200 radio stations.

Charity Concept 'Perverted' By Inclusion of 'R-T-W' Fund

New York—The Reagan Administration's decision to allow the National Right to Work Committee's Legal Defense Fund to participate in the annual charity drive among federal employees "totally perverts the concept of charity," the AFL-CIO Executive Council charged.

The council statement stressed that "union members are willing to do their share" for the genuinely humanitarian groups soliciting funds for the Combined Federal Campaign. But it termed inclusion of notoriously anti-labor groups "an affront to all union members."

FEDERATION President Lane Kirkland met before the council meeting with leaders of both affiliated and unaffiliated unions of federal and postal workers, and the council statement reflected their outrage at the Administration's action.

Kirkland and union leaders participating in the meeting told reporters that every effort will be made to assure that the "right to work" group doesn't inadvertently get money intended for a legitimate charity.

"We're not conducting a boycott because to do so would damage a great many very worthy organizations," Kirkland said.

The council statement welcomed the assurance of the United Way that its local affiliates, which normally distribute undesignated contributions from federal workers, will see that such money goes "only to those agencies that have historically received such funds and not to groups such as the Right to Work Foundation."

The council urged government workers to earmark their contributions in this fall's campaign to "the agency or agencies that meet their definition of a true charity."

Meanwhile, the AFL-CIO and its affiliates will explore whether the current structure "best serves the needs of the nation's voluntary agencies and the desire of federal and postal employees to support deserving charities."

The council statement noted that Reaganomics has added to unemployment and poverty. "Resources of agencies that minister to those who cannot provide for themselves are strained to the limit," it stressed. These groups are "in desperate need" of the funds raised through the Combined Federal Campaign.

Time Subsidiary Hit for Reneging On CWA Accord

New York—Capital Cable Co. of Austin, Tex., was denounced by the AFL-CIO Executive Council for scrapping ten years of stable collective bargaining relations and bringing in a union-busting consultant after it was bought by Time Inc.

Time Inc. took over the cable television system in the midst of a contract with workers represented by the Communications Workers. While trying to negotiate a new contract, the 79 union members struck the company in October 1981, but returned to work this June under the terms of an agreement worked out through the Federal Mediation & Conciliation Service.

The back-to-work agreement included a commitment from the company to resume good faith bargaining with a new committee, but the workers still do not have a contract, the council noted.

The introduction of an Atlanta-based union-busting consultant and other management tactics have made it clear, the council said, that "the intention is to destroy the existing contract and decertify the union."

The council urged affiliates to inform their members of the activities of Time, Inc. and Capital Cable.

Fight on Balanced Budget Plank Shifts to House

(Continued from Page 1)

If the balanced budget amendment were now in the Constitution, the council warned, social security benefits would have to be drastically slashed and the national economy would sink from recession "into a disastrous depression."

AS PASSED by the Senate, a cumbersome seven-section, 337-word addition to the Constitution would require that federal spending each year not exceed anticipated tax revenues, except in time of war. A three–fifths vote of the House and Senate would be required to allow an exception.

Further, tax receipts would not be allowed to rise "by a rate greater than the rate of increase in national income in the last calendar year ending before such fiscal year, unless a majority of the whole number of both houses of Congress shall have passed a bill directed solely to approving specific additional receipts and such bill has become law."

It's that type of statutory language that constitutional scholars almost unanimously protest has no place in the Constitution.

THE SENATE also voted to include in the amendment a requirement for a three-fifths vote to raise the national debt limit—a provision that could periodically immobilize the federal government until tax collections come due.

Seven Republicans broke with President Reagan to vote against the amendment, as did 24 Democrats. But 22 Democrats voted with 47 Republicans to pass the amendment with a two-thirds majority and two votes to spare.

Except among the Senate's right-wing contingent, there was little obvious enthusiasm for the amendment. And Sen. Patrick J. Leahy (D-Vt.) contended in the debate that "if this were a secret ballot, it wouldn't get 15 votes." Sen. Alan Cranston (D-Calif.), the Democratic whip, has said many of the senators who gave lip service to the amendment were counting on the House to block it.

At a news conference during the Executive Council meeting, Kirkland expressed labor's outrage at the "cowardice and chicanery" of senators who know how damaging such an amendment would be but nevertheless vote for it.

Kirkland termed Reagan's embrace of the amendment "pure, raw and naked hypocrisy." If the President considers a balanced budget so inexcusable "that it warrants trifling and degrading the Constitution," what's to stop him from submitting a balanced budget, Kirkland asked. "He's giving these sermons against sin while he's molesting the choir girls."

The Executive Council resolution and McEntee's testimony at the House hearings made clear that the labor movement does not advocate continuous unbalanced budgets.

But "the AFL-CIO firmly believes that the only way to balance the budget is to first balance the economy," the council said. "That means overturning the policies of this Administration and reaffirming the goal and the programs to achieve full employment."

It charged that Reagan is using the balanced budget amendment to divert attention from the huge deficits brought on by his Administration's economic policies and that members of Congress who support it see it as a means of avoiding responsibility for their actions.

The 24 Senate Democrats who voted against the balanced budget amendment are: Baucus (Mont.), Biden (Del.), Bradley (N.J.), Bumpers (Ark.), Cranston (Calif.), Dodd (Conn.), Eagleton (Mo.), Ford (Ky.), Glenn (Ohio), Hart (Colo.), Inouye (Hawaii), Jackson (Wash.), Kennedy (Mass.), Leahy (Vt.), Levin (Mich.), Matsunaga (Hawaii), Metzenbaum (Ohio), Mitchell (Me.), Moynihan (N.Y.), Pell (R.I.), Randolph (W.Va.), Riegle (Mich.), Sarbanes (Md.) and Tsongas (Mass.).

Republicans who opposed the amendment are: Chafee (R.I.), Cohen (Me.), Gorton (Wash.), Heinz (Pa.), Kassebaum (Kan.), Mathias (Md.) and Weicker (Conn.)

All other senators voted for the amendment.

Council Asks Aid to Recession Victims

(Continued from Page 1)

day council meeting, responded to questions on a broad range of issues:

- On Labor Sec. Raymond Donovan, the federation's concern is with the way he is running the Labor Dept. Instead of enforcing laws to protect the well-being of workers, women, children, old people and the handicapped, the department is "wrecking" those laws by stripping the budget of enforcement machinery and writing new regulations that "clearly and flatly contradict the declared purposes of the law."
- On the first anniversary of the Air Traffic Controllers' strike, the continued denial of re-employment by the Administration is still hampering airline service and, together with the training of strikebreakers, imposes extraordinary costs and burdens on the public and the taxpayers and "serves only one purpose at this stage —sheer vindictiveness."
- On the coming congressional elections, the shift in the public mood heightens the prospect of "a substantial improvement in the complexion of Congress," but he has no predictions. The federation's appeal to make November 2 the next Solidarity Day "has caught on" at all levels of the trade union movement and will "spur us on to a more effective effort" in registration, education and getting union members and families to vote.
- Administration proposals for further cuts in social programs to compensate for increased defense spending underscore the importance of the November elections "so that we can enlarge the number of people in the Congress who have a balanced view of the obligations of government to provide for the common defense and promote the general welfare."
- On El Salvador, the federation is "far from being satisfied with the degree of progress" toward the restoration of civil rights and is continuing to press for more action. "We intend to use every means at our disposal to press for the fulfillment of the land reform program and the enhancement of the rights of free trade unionists in that country."

THE COUNCIL'S statement on the Reagan recession was accompanied by an analysis of the economic decline under the current Administration presented by Research Director Rudy Oswald.

The statement reiterated labor's program to pull the nation out of recession through public service employment programs, job training programs, housing assistance, domestic content legislation to curb job-destroying imports, creation of a new Reconstruction Finance Corp. to rebuild the nation's industrial base, and a reversal of the Federal Reserve Board's tight-money policies.

But the central focus of the council's outrage was the plight of the poor and the jobless, especially the long-term jobless whose unemployment benefits are being chopped off in state after state.

"TENS OF millions of Americans are suffering with little or no help from the government or private sources," the council observed.

It charged that "the Reagan policies are creating a generation of grievously injured families, without funds for schooling, health care or adequate food or housing, without respected family role models of breadwinners with the pride of a steady well-paying job, and without hope for the further advancement of their children.

"The resulting family stress and instability could injure the entire social fabric, perhaps for decades."

AT EXECUTIVE COUNCIL session, AFL-CIO President Lane Kirkland discusses labor's response to Administration policies that have destroyed jobs, widened tax inequities and pushed more families below the poverty line.

THE SOCIAL costs of the recession, it pointed out, are chronicled in the rise in heart attacks, alcohol abuse, suicides, divorce, child abuse, mental illness and crime.

"The soup kitchens of the Depression are reappearing and the haunting despair of joblessness is undermining the very spirit of the nation."

To alleviate the suffering of the unemployed and the poor, the council called on Congress to extend maximum unemployment benefits to 65 weeks and restore Trade Adjustment Assistance for workers who lose their jobs because of imports; reject any further cuts in Medicare and Medicaid; enact a program of health insurance for the unemployed and restore health care coverage for the working poor; strengthen the fragile system of welfare by restoring Aid to Families with Dependent Children to pre-Reagan benefit levels and maintain food stamp benefits for all those those in need.

IN OTHER actions, the council heard reports from Kirkland on this year's regional conferences, Donahue on internal disputes matters and the federation's finances, Vice Presidents John H. Lyons on defense and on pension investment, Glenn E. Watts on public relations, Charles H. Pillard on housing, J. C. Turner on the COPE checkoff drive, and John J. O'Donnell on the creation of a labor advisory committee to the Republican National Committee.

Congressional developments were reviewed by Legislative Director Ray Denison, and Organization & Field Services Director Alan Kistler gave a progress report on the Houston Organizing Project. International Affairs Director Irving Brown recounted developments at the June conference of the International Labor Organization in Geneva, and COPE Director John Perkins reported on the recent mid-term conference of the Democratic Party.

Under a new schedule adopted at the 1981 convention, reports also were presented by the federation's constitutional departments—Building & Construction Trades, Industrial Union, Maritime Trades, Food & Beverage Trades, Public Employee, Professional Employees, Metal Trades, and Union Label & Service Trades.

KIRKLAND designated three new council committees. One, chaired by Donahue, will examine the changing nature of the workforce and the organizing outlook. Its members will include Vice Presidents John J. Sweeney, Lloyd McBride, Barbara Hutchinson, William H. Wynn, Albert Shanker, Richard I. Kilroy, Watts and Pillard.

A new committee to promote and develop more effective means of involving retired union members in the pursuit of labor's objectives is headed by Vice President Douglas A. Fraser and includes Vice Presidents Sol C. Chaikin, Joyce Miller, John DeConcini, Wayne E. Glenn, Sweeney and Pillard.

A committee to coordinate labor's continuing fight to defeat the proposed constitutional amendment requiring a balanced federal budget includes Vice Presidents Gerald W. McEntee as chairman, Vincent R. Sombrotto, Watts, Shanker, Turner and McBride.

TWO MERGERS and the titles of the resulting organizations were approved. The Pottery Workers and the Glass Bottle Blowers are merging to become the Glass, Pottery, Plastics & Allied Workers International Union, while the Aluminum, Brick & Clay Workers and the Glass & Ceramic Workers are now united as the Aluminum, Brick & Glass Workers International Union.

The council approved the administrative budget and Impact Projects fund of the African-American Labor Center, as well as contributions from the Special Purposes Fund to the following organizations: Jewish Labor Committee, Center for the Study of Welfare Policy, Citizens for Tax Justice, League for Industrial Democracy, National Planning Association, United Negro College Fund, Leadership Conference on Civil Rights, United Way of the National Capital Area, and the American Political Foundation.

The next council meeting will be held Feb. 21-28, 1983, in Bal Harbour, Fla.

General Board to Consider Pre-Primary Endorsement

(Continued from Page 1)

As alternatives to an immediate collective endorsement, the board could decide to delay action until some later date or to make no endorsement at all until after the party conventions.

IF THE LAST course is chosen, the AFL-CIO and its state federations would not involve themselves in the primaries, and the national union affiliates would take whatever position they saw fit, as has been the case in recent elections, Kirkland said.

He explained that the timing of the General Board meeting is dictated by the various state filing deadlines for candidates' delegate slates. If the meeting were held in mid-February 1984, for example, the deadlines already would have passed in 13 key states. If the meeting were delayed until after the first primary in March, five more state filing deadlines would have come and gone.

As a practical matter, to assure an opportunity for full participation by the AFL-CIO and its member unions in the candidate selection process, the endorsement session of the board must be held no later than mid-December 1983, Kirkland said.

THE COUNCIL'S action flowed from a decision at its May meeting in Washington to explore the possibility of a pre-primary endorsement of a presidential candidate rather than wait until after the parties choose their nominees. The goal is to strengthen labor's role in the selection of candidates and to avoid the splintering of labor support during the primaries.

The May council meeting urged affiliates to withhold their individual endorsements of candidates pending a decision on a collective pre-primary endorsement, and the council's Political Works Committee was directed to draw up appropriate procedures.

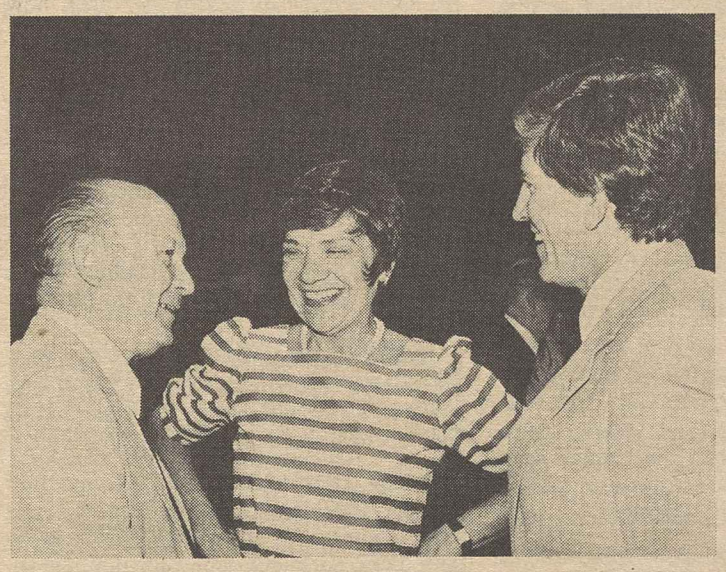
At its summer meeting here, the council met with two potential Democratic presidential candidates, Senators Gary Hart (Colo.) and John Glenn (Ohio), for an exchange of views on issues that concern the trade union movement.

A THIRD potential candidate, Sen. Alan Cranston (Calif.) was forced to cancel his scheduled visit by the timing of the Senate vote on the constitutional amendment requiring a balanced federal budget.

Kirkland said that as other candidates emerge, they too would be given the opportunity to appear before the council "in a manner and in a setting that gives them the best opportunity to give a serious exposition of their views."

He noted that the two front runners for the Democratic nomination—Sen. Edward M. Kennedy (D-Mass.) and former Vice President Walter Mondale—spoke at the last AFL-CIO convention in 1981 and had met frequently over the years with the Executive Council.

Similar invitations would be extended to Republican candidates should that party's nomination open up, Kirkland said, and he would not rule out the possibility that labor might endorse candidates in both the Democratic and Republican primaries.



POTENTIONAL CANDIDATES for the presidency meet the Executive Council. At left, Sen. Gary Hart (D-Colo.) confers with AFL-CIO Vice Presidents Robert Goss and Joyce Miller. At right, Sen. John Glenn (D-Ohio) discusses issues. From left are Vice Presidents Douglas A. Fraser and Murray H. Finley and Sec.-Treas. Thomas R. Donahue.

Congress Pressed to Halt Cutoff of Jobless Aid

New York—America's unions pressed Congress to salvage the extended unemployment compensation program and lengthen its duration.

An Executive Council statement and Senate testimony by AFL-CIO Social Security Director Bert Seidman stressed the plight of recession victims who have already used up all available unemployment benefits or will do so in the weeks ahead.

THE COUNCIL statement spotlighted the paradox of state after state "triggering-off" the extended benefit program at a time when unemployment has risen to near-record levels. Only 26 states still have extended benefit programs and 300,000 workers a month are running out of benefits, the council noted.

But unless Congress acts, worse is still to come. The cutbacks already felt are from the first phase of changes in the program that Congress adopted last year at the prodding of the Reagan Administration. A second phase of the cutbacks is scheduled for Sept. 25—and will come close to wiping out the program unless Congress intervenes.

The council called on Congress to repair the damage done to the program, and to restore the national trigger which at present levels of unemployment would make extended benefits available in every state.

IT ALSO URGED a lengthening of the present 13-week extended period, preferably to the levels established by Congress during the last major recession. That provided up to 65 weeks of combined state and federal benefits.

A move is under way in Congress to write an emergency extension of unemployment benefits into the tax bill now being considered by a House-Senate conference committee.

The Senate on Aug. 5 voted 84-13 for a non-binding resolution urging the conferees to postpone the Sept. 25 changes in the extended benefits program and to approve an additional 10 to 13 weeks of unemployment benefits.

Earlier, at Senate Finance Committee hearings, Seidman termed a bill introduced by Sen. John Heinz (R-Pa.) "a step in the right direction," although short of the AFL-CIO's goal. It would provide an additional 13 weeks of supplemental benefits fully financed from general revenues and restore the original formula for triggering extended benefits programs.

As an example of the inequity of the new trigger formula imposed by Congress, Seidman noted that Michigan was forced to stop paying extended benefits for a 13-week period during the height of the current recession even though it had Depression levels of unemployment.

"Supplemental benefits should be available to all unemployed workers who have exhausted benefits, whether or not their state is in an extended benefit period," he urged.

THE REAGAN Administration has waffled on the issue. On the same day that Seidman testified for the AFL-CIO, Assistant Sec. of Labor John Cogan testified that the Administration "strongly opposes any of the currently proposed extensions of unemployment insurance benefits at this time."

The Administration's position came under strong fire from Republicans as well as Democrats from states facing the cutoff of benefits to their unemployed.

White House spokesman Larry Speakes then said the President would be willing to accept "some form of extension," but there would be no promise of presidential support until the legislation is in final shape.

ELECTION STRATEGY is mapped by the AFL-CIO COPE Operating Committee at its meeting in conjunction with the Executive Council sessions in New York. COPE Director John Perkins and the committee members discussed progress and goals for the November congressional and many state elections where the labor movement's aim is to elect responsive candidates, particularly in districts held by anti-union representatives who have been insensitive to concerns such as the Reagan Administration's recession, unemployment and the needs of the poor and elderly.

State, Local Slashes Seen Self-Defeating

New York — The AFL-CIO voiced strong support of public employee unions in their efforts to convince state and local governments that it is a "false economy" to respond to the Reagan budget squeeze and recession by dismantling services and destroying public sector jobs.

State and local government activities, the AFL-CIO Executive Council said in a statement, require adequate funding and experienced workers who can meet the "qualifications and demands of public service" in areas such as fire and police protection, health and hospital services and education.

MANY STATE and local governments, faced with the Administration's budget slashes, its recession, falling revenues and skyrocketing interest rates are turning to cost-cutting measures that are undermining "the health, safety and education of citizens and the jobs, wages, protections and standards of public employees," the council said.

President Reagan's so-called New Federalism proposal is another threat to these services, the council statement declared.

THE COUNCIL pointed out that a number of local governments are reducing the "quality as well as the quantity" of public services by looking for ways to cut public employees' jobs.

Some governments are "flirting" with contracting out services traditionally performed by public workers to non-union, low-wage companies, the council noted.

Such tactics "inevitably cost the taxpayer more for reduced levels of service," the statement said.

Built-In Security Measure Urged On Airline Jobs

New York—The Airline Deregulation Act of 1978 should be repealed and a "sound regulatory system" that includes employee protections should be put in its place, the AFL-CIO Executive Council declared.

The council also urged the Reagan Administration to act now to issue rules to protect all airline industry employees who have felt the adverse effects of the deregulation law.

DEREGULATION has caused "turmoil" in the industry, including widespread unemployment and reductions in wages and working conditions, as well as hurting consumers, the council said.

Tied in with the elimination of the Civil Aeronautics Board in 1985, the statement pointed out, is the expiration of current "adjustment mechanisms" that protect airline jobs, seniority and bargained working conditions from the adverse effects of decontrol, mergers and acquisitions.

The federation statement pressed Congress and the Administration on pending legislation that would require the long-term, continued use of adjustment mechanisms.

These safeguards, the council said, have successfully prevented labor-management strife, layoffs, lost revenues and widespread disruption of the air transportation system that could come as a result of decontrol and the effects of mergers and acquisitions among passenger and cargo air carriers.

WITH THE mechanisms, changes can be made "with an orderly integration of work forces and the preservation of seniority rights" and without forcing workers to compete against other workers for jobs while the companies "reap considerable profits" at the expense of their employees, the council said.

Although Congress promised protections of job rights when deregulation was passed, "to date, not a single employee whose job was lost as a result of that legislation has received the promised protections and compensation," the statement pointed out.

NFL Players Contract Goal Backed as 'Fair, Equitable'

New York—The National Football League Players Association has the support of the AFL-CIO in its efforts to negotiate a "fair and equitable contract" with team owners.

An Executive Council statement stressed that the NFLPA, an affiliate of the Professional Athletes, wants to win for its members a share "of the enormous revenues generated each year by the National Football League from ticket sales and television revenues," funds which are shared by the NFL owners.

THE UNION, the council noted, is asking that 55 percent of this money be used for players' salaries and benefits.

The players "are the game in professional football," the statement emphasized. "It is their skill and courage which attracts the immense audiences from which the owners derive their income."

But the owners have repeatedly refused to bargain in good faith with NFLPA. They have tried to break the union and have harassed and pressured its leaders, the council said.

BEHIND THE glamour of professional football, the statement said, are players whose lives are "marred by frequent injuries," whose average playing careers are only 4.2 years and who average the lowest pay in professional team sports.

The players are asking for improved pension benefits and medical, life and disability insurance, a speedy grievance procedure and the right to get medical treatment from doctors other than those chosen by the teams.

Israel's Invasion 'Justified' by PLO Threat

New York—Israel's invasion of Lebanon is "entirely justified" by the military threat to its security posed by the Palestine Liberation Organization, the Executive Council said.

The unanimous council statement in support of Israel called for immediate withdrawal of the PLO and Syrian forces from Lebanon.

FOR SEVEN years, the statement said, the people of Lebanon have endured a "reign of terror at the hands of the PLO and Syria, which together occupied 60 percent of the country."

Over that time, nearly 100,000 people were killed, some 250,000 were wounded and 800,000 Christians and 500,000 Moslems were left homeless, the council said. Lebanon's political structure and institutions of authority were "shattered."

In Lebanon, the council emphasized, "the world could see what a PLO state would look like."

The statement stressed that the AFL-CIO "deeply regrets" the loss of civilian lives in the current fighting and pointed to the PLO's tactic of "deliberately locating its forces in residential areas and storing its ammunition in schools, hospitals and other public facilities."

The PLO, in effect, "is holding the civilian population of West Beirut hostage," the council charged.

The council said the United States should continue withholding recognition from the PLO and steer clear "of any actions which would encourage the PLO to believe it can snatch a political victory from military defeat."

Before adopting the statement, the council heard a report by AFL-CIO Sec.-Treas. Thomas R. Donahue who led a factfinding mission to Israel and Lebanon in July.

WITH DONAHUE were Service Employees President John J. Sweeney and Tom Kahn, assistant to AFL-CIO President Lane Kirkland. The four-day trip included meetings with government officials and with representatives of Israel's Labor Party and Histadrut, the Israeli trade union center. It included talks with U.S. embassy staffs, journalists and Lebanese from both the military and civilian populations.

Donahue said Lebanese who had felt the brunt of PLO occupation welcomed the Israelis as "liberators."

The council in its statement called for worldwide pressure to demand that the PLO and Syria leave Lebanon immediately "and allow the Lebanese to proceed with the task of reconstruction and the creation of an independent central government."

When those forces are gone, the statement said, the Israeli's "must also withdraw, as they have committed themselves to do."

The Executive Council urged the U.S. government to assist the Lebanese "in every way possible" and to make humanitarian aid available to the Lebanese and the Palestinian people.

Weakening of PLO and Soviet influence in the Middle East may set the stage for fruitful discussions with moderate Arab forces for a solution to the Palestinian problem, the council suggested in its statement.

To Benefit Rich

Flat-Tax Scheme Seen Creating New Inequities

New York—America needs tax justice, but the flat-rate tax schemes the Reagan Administration is flirting with are not the answer, the AFL-CIO Executive Council declared.

"The cornerstone of tax justice is a progressive tax based on the principle of ability to pay," the council said in a statement.

It reaffirmed the federation's support for tax simplification with tax equity while maintaining a progressive tax structure.

BUT THE flat-tax proposals would abandon the basic principle of equity and instead apply a single percentage rate for all, regardless of income level or ability to pay, the council noted.

"The Reagan Administration that stacked the 1981 tax changes to benefit the wealthy now flirts with the flat tax as another scheme to further shift the tax burden to low and middle-income Americans," the statement said. "The wealthy are saying indirectly that they might give up a few of their preferences in exchange for a drastic reduction in the top rate and the destruction of a progressive tax system."

The council cited an analysis by the Congressional Joint Committee on Taxation which compared the effect of flat tax rates ranging from 12 percent to 18 percent on taxpayers at various income levels. In every case, the council noted, the low- and middle-income groups would pay more in taxes while the upper-income groups would enjoy substantial tax cuts.

THE RATIONALE put forth by the flat-tax proponents is that it would enable Congress to end many deductions, credits and exclusions and eliminate many long-standing loopholes and preferences.

But if Congress were inclined to close existing loopholes—like foreign tax credits, oil depletion allowances and the preferential treatment of capital gains—it could do so now while maintaining a progressive tax structure, the council stressed.

"Loophole closing is the key to tax justice, but that has nothing to do with flat rates," the statement pointed out. "Even if the income that currently slips through the loopholes and escape hatches were included, a flat tax would still be far more inequitable than the present system despite its many flaws."

DECLARING the AFL-CIO's unalterable opposition to flat-rate tax schemes, the council called for steps to achieve tax justice by "undoing the damage done to the tax structure by the Reagan Administration" and enacting measures to:

- End the double standard under which wages are taxed at far higher rates than unearned income from capital gains.
- Reinstate the corporate income tax as a source of federal revenue and equity and eliminate so-called incentives "that subsidize mergers, takeovers, plant shutdowns, overseas investments and other business activities that conflict with the national interest.
- Provide a basic structure of graduated rates that fully reflect the principle of ability to pay.

Federal Reserve Action Pressed On Interest Rates

New York—High interest rates are devastating the American economy and the Federal Reserve Board should act immediately to lower them, the AFL-CIO Executive Council urged.

The council also called on Congress to re-establish the credit control authority that expired June 30 and said the President and the Fed should then use it "to assure the availability of credit at much lower interest rates for housing, agriculture, and productive industrial investment."

A STATEMENT by the council stressed that continued high interest rates are a major cause of the current high rates of unemployment and high levels of bankruptcies, causing shutdowns of productive facilities in many basic industries, removing any incentive for new investment, and creating a barrier to sustained recovery.

"Repeated financial and industrial failures could spread throughout the economy and produce a depression reminiscent of the 1930s," the statement warned.

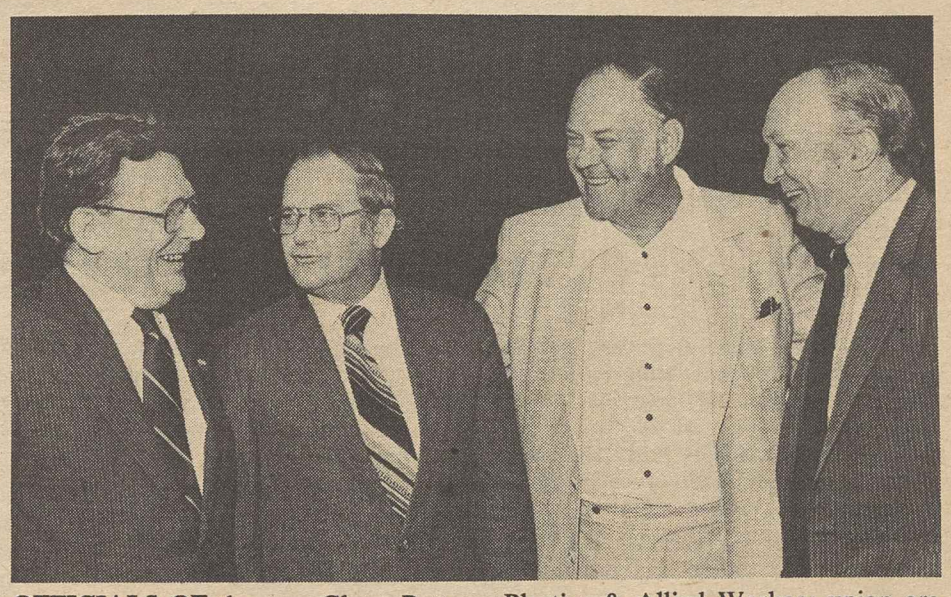
Despite President Reagan's repeated professions of faith in his program, the evidence is clear that "it is not working," the council observed. It noted that long-term bond rates and home mortgage interest rates are higher than when Reagan took office. The recent declines in short-term interest rates, the council said, reflect the greatly weakened demand for business loans in the current recession.

AND THE Administration's touted "victory" over inflation "has proven to be more faith than fact," the council statement said. It noted that oil and food prices are heading up again now that oversupplies are disappearing, and prices in two other major sectors—housing and medical care—continue to fuel inflation.

The statement stressed that high interest rates themselves are a major contributor to inflation. It pointed out that interest payments on the federal debt are the fastest growing part of the federal budget, and the high cost of borrowing by builders, industry and merchants is passed on in higher prices that escalate inflation.

And by raising the value of the dollar in relation to foreign currencies, high interest rates raise the price of American goods, acting as a drag on exports while encouraging more imports at relatively lower prices, the statement noted.

This has led to the loss of American jobs as the U.S. trade deficit mounted to a record $40 billion in 1981 and to more than $18 billion in the first half of 1982, the council noted.



OFFICIALS OF the new Glass, Pottery, Plastics & Allied Workers union are welcomed at the Executive Council meeting by AFL-CIO President Lane Kirkland and Sec.-Treas. Thomas R. Donahue. The new union grows out of the merger of the Glass Bottle Blowers, headed by James E. Hatfield, second from left, and the Pottery Workers, headed by Lester H. Null, second from right.

Potters Union Okays Merger With Glass Bottle Blowers

Hollywood, Fla.—Delegates to a special convention of the Pottery Workers voted 159-17 approval of merger with the Glass Bottle Blowers, clearing the way for final action by the executive boards of the two unions.

Under the merger agreement, the new Glass, Pottery, Plastics & Allied Workers will unite 80,000 members of the GBBA and 11,000 members of the pottery workers.

BOTH UNIONS have their roots deep in America's labor history, going back to the 19th Century, and have faced problems of imports and mechanizations over the years.

GBBA President James E. Hatfield, speaking to the Pottery Workers convention, said labor must have "unity and strength" and the planned merger "makes good sense."

Potters President Lester H. Null told the delegates that the merger will enable the union to deal with its employers from strength.

Null, who has been president of the Pottery Workers since 1969, will serve in the merged union as assistant to Hatfield. The union's veteran secretary-treasurer, George H. Barbaree, will be international auditor following completion of the merger.

THE ENLARGED union will have its headquarters in Media, Pa., where the GBBA offices are located. The Pottery Workers headquarters in East Liverpool, Ohio, will be used as offices for international representatives of the union, serving the Ohio, West Virginia and Pennsylvania areas.

The Pottery Workers were briefly part of the Seafarers, as an autonomous affiliate from 1976 to 1978, but the arrangement was dissolved by mutual agreement.

A week earlier, another union merger was completed by the Aluminum, Brick & Clay Workers—itself the product of a recent merger—and the Glass & Ceramic Workers. That new 70,000-member organization is the Aluminum, Brick & Glass Workers International Union.

Pension Investment Progress Cited

New York—The AFL-CIO Executive Council called for a continuation and expansion of efforts to assure that union-negotiated pension funds are invested to serve the interests of plan participants by creating jobs and meeting social needs.

The council reviewed programs in this area since its August 1980 policy statement setting forth broad guidelines for the investment of pension funds, which it found in many cases were being invested in ways inimical to workers' interests.

AMONG THE notable recent developments, the council cited:

- A new AFL-CIO Housing Investment Trust now awaiting approval by the Securities & Exchange Commission, which will provide long-term government insured mortgages to finance union-built housing and other construction.
- A program by the Building & Construction Trades Dept. to acquaint pension fund trustees and other plan fiduciaries with opportunities for investment in job-creating projects.
- Creation of financing foundations or pooling arrangements by a number of construction union pension funds to promote union-built construction.
- Increasing pressure from unions to gain a greater voice in the control of their pension funds and investment policy where traditionally such decisions have been left solely to management.
- The growing support of public officials for the use of public employee retirement funds to strengthen state and local economies through appropriate investments.
- Establishment of the Industrial Union Dept. publication, Labor and Investments, as a valuable source of information on pension fund investment.
- A computer tracking project being undertaken by the AFL-CIO to better enable union-influenced pension funds to exercise shareholder rights associated with their equity holdings, and the work of the Food & Beverage Trades Dept. in encouraging the exercise of such rights.

"THESE KINDS of activities provide new opportunities and should be continued and expanded," the council statement said. "The pooling of funds can provide greater financial strength and effectiveness and, at the same time, greater safety through diversification and the spreading of risk. Worthwhile social objectives can be achieved and jobs created through such efforts as union-built affordable housing for workers," the statement noted.

"Political leaders and public employee funds can work with union leaders and private pension funds to support economic development and industrial reinvestment. The exercise of shareholder rights . . . can be an effective investment tool, but maximum and effective results will be achieved only if all elements of the labor movement work together and support these efforts."

The council warned that the desire to target negotiated pension funds more effectively in the interest of workers should not outweigh the need to avoid high-risk investments, and it urged extra care in the selection of outside investment advisers.

It warned, too, that a number of large corporations have manipulated pension plan provisions to gain access to pension fund assets for corporate use, in several instances using unrealistic actuarial assumptions to create artificial surpluses and to minimize benefit payments.

It called for action by federal agencies or Congress to prevent this sort of manipulation and assure that pension fund assets are used solely for the payment and funding of pension benefits.

Oil Workers Supported in Petrofina Strike

New York—Striking members of Oil, Chemical & Atomic Workers Local 4-23 in Port Arthur, Tex., got a strong vote of support from the AFL-CIO Executive Council in their dispute with American Petrofina.

More than 400 members of the union have been on strike against the company and its subsidiary, Amdel Pipeline, since their contract expired Jan. 8.

American Petrofina forced the strike when it refused to accept a number of contract provisions already agreed to by most of the industry, the council said, adding that Texaco has adopted a similar attitude. OCAW workers also struck Texaco's Port Arthur plant in January.

The council noted that American Petrofina rebuffed a request by the Federal Mediation & Conciliation Service to extend the contract while negotiations went on.

The key issues, in addition to wages, are the company's challenges to longstanding work practices that have for years been part of the contracts.

The council urged affiliates to inform their members on Petrofina's tactics against its workers. Company products are sold under the brand name Fina.

House, Senate Disagree On Cost-of-Living Slash For Government Retirees

The House balked at cutting pensions of retired government workers in order to meet congressional budget targets, but a slim 51-48 majority of the Senate voted to impose a 4 percent limit on cost-of-living adjustments for retirees in each of the next three years.

That's one of the conflicts the Democratic-controlled House and the Republican Senate will have to settle before agreeing on legislation that is supposed to provide spending cuts and revenue increases mandated by the budget Congress adopted last month.

REPUBLICANS ducked a direct confrontation of the issue in the House after losing a key procedural vote. The Democratic majority on the House Post Office & Civil Service Committee flatly refused to approve a COLA cutback, and brought to the floor a bill carrying substantially less "savings" than called for in the congressional budget resolutions.

The committee majority's reasoning was simple and blunt: they had not supported the budget resolution. If the Republicans and their conservative Democratic allies who adopted it wanted to penalize retired federal and postal workers and military retirees, let them vote to do so.

RETIREMENT benefits for government employees are the equivalent of social security benefits in the private sector, they noted, funded by payments from worker paychecks and from the government in its role as employer. Congress had declared the social security system's COLA immune from budget-cutting, and there was no just reason to single out federal workers.

House Republicans fumed at the "unfair" tactics of forcing them to vote on the effects of their budget actions and sought to get around the issue with a motion to send the bill back to committee with instructions to cut an additional $344 million in fiscal 1983 budget savings. But the recommittal motion was beaten, 236-180, and the House then approved the committee bill without the cost-of-living ceiling by a 268-128 vote.

The Senate, however, went along with a Governmental Affairs Committee recommendation for a 4 percent annual ceiling, but by a surprisingly slim majority.

The Senate calculated the "savings" on the retirement cut at $5 billion over three years. In the same bill, it made more modest trims in veterans' benefits by rounding off cost-of-living adjustments to the next lower dollar. Food stamp entitlements were cut more vigorously, for an estimated $2.5 billion reduction over three years.

IN ANOTHER area, the AFL-CIO urged a House-Senate conference committee to remedy some of the inequities in the tax increase bill passed by the Senate last month.

Many of the Senate provisions are desirable, AFL-CIO Legislative Director Ray Denison wrote the conferees. But there are provisions that add to "the tax burdens of low- and middle-income Americans who were shortchanged last year" and further penalize the needy and elderly.

He cited higher excise taxes on consumers, a new hospital insurance tax on federal workers, curtailment of medical deductions and casualty losses, among others.

House Approves Job Training Bill To Replace CETA

The House voted 356-52 approval of a labor-supported job training program to replace the Comprehensive Employment & Training Act (CETA), which expires on Sept. 30.

CETA was decimated by last year's budget cuts and its anti-recession public service jobs program was abolished early in the Reagan Administration.

THE HOUSE bill, like an earlier Senate-passed version, emphasizes job training for disadvantaged youth and authorizes special help for laid-off workers.

Differences between the two bills were somewhat narrowed by compromise amendments adopted by the House. But generally, the Senate bill gives greater control over training programs to governors while the House version has more local involvement, somewhat stronger labor standards and lesser employer domination of the training programs. One amendment adopted by the House earmarks funds to continue Job Corps programs.

Rep. Augustus F. Hawkins (D-Calif.), who steered the House bill to passage, has also sponsored a labor-supported public service bill which the House leadership has promised to schedule for floor action. But its prospects in the Senate are dimmer because of Administration opposition.

Before passing the job training bill, the House defeated by a 308-87 vote an amendment that sought to bar any training funds from going to farm worker organizations and rejected, 218-189, a Republican-sponsored amendment to bring the House version closer in line with the Senate bill.

Differences between the two measures will now be dealt with by a House-Senate conference committee.

'82 Human Rights Award Cites Two South Africans

New York—The Executive Council voted the George Meany International Human Rights Award for 1982 to two champions of black rights in South Africa, Neal Aggett and Mangosuthu Gatsha Buthelezi.

Dr. Aggett, a white officer of the African Food & Canning Workers, a union of black workers, was honored posthumously. He was only 28 years old when found dead in Johannesburg jail. He was held by police without being charged.

Buthelezi is head of the largest black liberation movement in South Africa and is chief minister of the Zulu tribe.

Aggett and Buthelezi are the second recipients of the Meany award. Last year, the inaugural award was presented collectively to Solidarnosc, the Polish labor federation. Lech Walesa was scheduled to accept it at the November 1981 AFL-CIO Convention, but was unable to attend. Martial law was imposed in Poland a few weeks later.

An AFL-CIO delegation will visit South Africa in September.

Layoffs, Plant Closings Push Jobless Rate to 9.8 Percent

(Continued from Page 1)

employed must be added 1.5 million more who have given up searching for jobs that do not exist, along with half of the 5.5 million who are working only part time because full time jobs are unavailable." Thus an unemployment rate of 13.6 percent, with 15.2 million persons jobless, is "nearer the truth."

Manufacturing jobs continued to decline, with cutbacks in the machinery industry accounting for nearly half the 90,000 job loss over the month. Manufacturing jobs are down by 1.5 million from a year ago.

FOR ADULTS, unemployment continued to rise—to 8.8 percent for men and 8.4 percent for women. A year ago, the corresponding rates were 5.8 percent for adult men and 6.7 percent for adult women.

Teenage unemployment rose over the month from 22.3 to a record 24.1 percent and Kirkland noted the irony that the increase "came in the month in which the Reagan Administration proposed to increase the teen-age labor pool by offering 14- and 15-year-olds to the job market at a subminimum wage."

BLS Commissioner Janet Norwood told the Joint Economic Committee of Congress that employment of women is up from a year ago, when the current recession began, while employment among men is down. A major reason, she suggested, is that "women are far more likely than men to work in the service-producing sector of the economy. Since July 1981, employment in the service-producing sector increased by 280,000. Jobs in the goods-producing sector, however, declined by 1.8 million," she noted.

AND DESPITE repeated Administration predictions of an upturn in the economy, Norwood told the congressional panel that the employment data for July show "little labor market strength."

She told the committee that job losses during the first portion of the recession were concentrated in the construction and consumer durable goods industry — along with their "feeder" industries.

But since April, the big job declines were in mining and machinery. Especially hard hit were oil and gas field services and oil field machinery.

FROM JUNE to July, unemployment among whites rose from 8.4 to 8.8 percent. For blacks, it was unchanged at 18.5 percent. For Hispanics, unemployment rose from 13.5 to 13.9 percent.

By industry, construction unemployment rose over the year from 15.2 to 20.3 percent, manufacturing unemployment from 7.3 to 12 percent, retail and wholesale trade from 7.9 to 10.5 percent.

Child Labor Policy 'Rewriting Law'

New York — The Reagan Administration's move to gut child labor regulations is an attempt to rewrite the law "in complete disregard of the intent of Congress," the AFL-CIO Executive Council charged.

A council statement stressed that if the Labor Dept. is permitted to issue new regulations that would substantially extend the hours 14- and 15-year-old children can be required to work and permit them to hold some jobs deemed hazardous, the result will be a new pool of cheap, part-time labor that could be hired "to replace not only their older brothers and sisters but also their mothers and fathers."

THE LABOR DEPT. had planned to roll back protections for 14- and 15-year-olds on Aug. 16. But after a blast of public protest — including critical testimony by the AFL-CIO and others at congressional hearings and plans for introduction of a joint resolution to block the cuts by Rep. George Miller (D-Calif.) and Sen. Edward Kennedy (D-Mass.)—the Administration put the changes on hold and extended the original 30-day comment period to 180 days, after the November elections.

The delay also applies to a companion proposal that would have removed the requirement that employers reapply annually for certification to pay full-time students less than the minimum wage.

At a press conference, AFL-CIO President Lane Kirkland said he welcomed the Labor Dept.'s postponements. He hoped it indicated "that they are now prepared to do what they should have done before they put out this idiotic proposition, that is, talk to the people who have some concern and experience and interest in these matters—other than the fry kitchens and junk food joints of this land."

THE COUNCIL asserted that the real motive of the Administration's rule changes was not to open jobs for youth but to put more children to work at 50¢ less than minimum wage.

"This is an Administration attempt to roll back the clock on child labor at a time when it refuses to offer job-creating programs for adults and vetoes those proposed by Congress," the statement emphasized.

The council pointed to a Government Accounting Office study that links teenage unemployment to poor reading, writing and math skills. The work of school age children "is their school work," the statement said, warning that the Labor Dept.'s plans to gut labor standards will have a "long-term, devastating effect."

BY THE LABOR Dept.'s own admission, the council said, it is the fast-food and amusement park industries that are pressing for the new rules.

It is no surprise, the council pointed out, that the first attempts to weaken the 1938 Fair Labor Standards Act "are directed at supplying cheap labor for the retail and service industries which the statement cited as "the worst violators" of the FLSA according to records of the Minimum Wage Study Commission.

The council accused the Labor Dept. of attempting to put in place a youth subminimum wage by manipulating the certification regulations and "flooding the market" with younger children.

IT WARNED that drastic cuts in the department's enforcement staff undermine safeguards against exploitation and assure that violations will go undetected.

Again, the statement said, the Reagan Administration Labor Dept. is acting as a "law-wrecker and not a law-enforcer." It sees its role "as reducing worker protections rather than maintaining them" and as a cheap labor recruiter for employers.

Economic 'Summit' Criticized for Platitudes

New York—Leaders of the world's leading industrial nations came up with platitudes instead of solutions to unemployment at last June's summit meeting of the Organization for Economic Cooperation & Development (OECD).

That was the evaluation of the AFL-CIO Executive Council, and of the OECD's Trade Union Advisory Committee, which had urged international cooperation in developing policies on full employment and job creation.

THE COUNCIL found one virtue in the OECD's economic analysis—a more realistic look at the weaknesses of the U.S. economy than the Reagan Administration has taken. But it said the AFL-CIO was "dismayed" by the failure of the seven heads of state who met at Versailles, France, last June to come to grips with basic issues.

From the heads of Britain, Canada, France, West Germany, Italy, Japan and the United States came "only platitudes" and continued reliance "on unsuccessful monetarist policies," the council said.

The AFL-CIO will "intensify its participation" in the Trade Union Advisory Committee to the OECD, the Executive Council said, "and continue to press for a greater voice for the trade union movement in the deliberations of the OECD."

Flat Out Inequitable

THE AFL-CIO HAS LONG supported reforms in the tax structure that would lead to tax justice. The cornerstone of tax justice is a progressive tax based on the principle of ability to pay. A variety of new tax proposals has been put forth, some as flat taxes, some as hybrids, each offering to bring simplification to the tax structure. The AFL-CIO supports tax simplification with tax equity and the maintenance of a progressive tax structure.

The flat-rate tax schemes would abandon the basic principle of equity, and instead apply a single percentage rate for all regardless of income level or ability to pay. The Reagan Administration that stacked the 1981 tax changes to benefit the wealthy now flirts with the flat tax as yet another scheme to further shift the tax burden to low- and middle-income Americans.

THE WEALTHY are saying indirectly that they might have to give up a few of their preferences in exchange for a drastic reduction in the top rate and the destruction of a progressive tax system.

In spite of the general impression that the current system is not equitable, the greater inequity of a flat-rate tax is borne out in an analysis prepared by the Congressional Joint Committee on Taxation. The analysis compares the effect of flat tax rates, ranging from 12 percent to 18 percent, on taxpayers of various income levels. In every case, low- and middle-income taxpayers suffer tax increases while those with higher incomes enjoy substantial tax cuts.

THE FLAT-TAX schemes are based on the theory that Congress would end many deductions, credits, and exclusions and eliminate many longstanding loopholes and preferences. However, if Congress were inclined to eliminate longstanding and clearly identifiable loopholes and preferences, like capital gains, foreign tax credits and oil depletion allowances, it could do so now—and could do so while maintaining a progressive tax structure.

This it has not done. Loophole closing is the key to tax justice, but that has nothing to do with flat rates. Even if the income that currently slips through the loopholes and escape hatches were included, a flat tax would still be far more inequitable than the present system despite its many flaws.

The AFL-CIO is unalterably opposed to flat-rate tax schemes.

TAX JUSTICE must begin with undoing the damage done to the tax structure by the Reagan Administration and enacting the full range of measures necessary to:

- End the double standard which taxes workers' wages and salaries at far higher rates than "unearned income" from capital gains and estates of the wealthy.
- Reinstate the corporate income tax as a source of federal revenue and equity and eliminate the so-called "incentives" that subsidize mergers, takeovers, plant shutdowns, overseas investments and other activities that conflict with the national interest.
- Provide a basic structure of graduated rates which fully reflect the principle of ability to pay.

—AFL-CIO Executive Council statement adopted Aug. 3, 1982, in New York.

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Washington Window

Top Economists Expose Folly Of Balanced Budget Scheme

By Press Associates, Inc.

WHEN PEOPLE are overwhelmed by frustration in a situation they can't do anything about, it often feels good to say, "There oughta be a law."

That's one explanation of the movement in Congress for a constitutional amendment to balance the federal budget.

But when President Reagan went to Capitol Hill to lead a pro-amendment rally, it inspired speculation that he might have twin motives. He may have sensed that deep frustration; then, too, he also may want to blame his own historic deficit on the Democratic-controlled House if it blocks the amendment.

THE VERY simplicity of the balanced budget amendment holds great appeal for hardline conservatives who finally have one of their own in the White House. And it probably also makes sense for many Americans who view the federal budget as a hodgepodge of bewildering numbers.

It was in this atmosphere that a group of leading economists held a press conference in Washington to inject some reason into the debate.

Gardner Ackley, a former chairman of the Council of Economic Advisers and now teaching at the University of Michigan, took responsibility for promoting an open letter in opposition to the balanced budget amendment.

THE LETTER of opposition was signed by 181 leading economists including Nobel Laureates Kenneth Arrow, Lawrence Klein, Wassily Leontief, Paul Samuelson, Herbert Simon and James Tobin. Eleven former presidents of the American Economics Association also signed the letter.

Ackley, current president of the AEA, told the press that the professional economists of America regard the proposed amendment as "bad public policy."

Hendrik Houthakker, who teaches at Harvard and served on the Council of Economic Advisers under President Nixon, said the amendment is "as phoney as a three-dollar bill."

Houthakker, a Republican, said there are better ways to pursue it, as through the Employment Act or the Humphrey-Hawkins Act. A budget by nature is an estimate, he said, and can be biased.

Economist and lawyer Robert R. Nathan said the amendment would "degrade" the Constitution and he called it "purely political." Charles Schultze, President Carter's economic adviser, said it would "wreck or trivialize" the budget process.

James Tobin, the 1981 Nobel Prize winner, said the theory behind the amendment is "unsubstantiated and dubious." Andrew Brimmer, former governor of the Federal Reserve Board, tied the deficit to the recession and huge 1981 tax cut.

IN AN EARLIER analysis of Senate Joint Resolution 58, which embodies the amendment, Ackley said the amendment rests on the theory that most of the nation's economic problems are attributable to federal deficits and fiscal policies. He said such a theory has no support in either professional opinion or analysis.

Ackley also noted that the amendment's provision enables 40 percent of either the House or Senate to block actions backed by a substantial majority. This has serious implications in a representative system, he said, for issues involving education, foreign affairs and civil rights, which are related to spending decisions.

Taking on other myths behind the amendment, Ackley's analysis dealt with the belief that government has an insatiable appetite for tax revenues. It may be true, he said, that total government spending rose over the past quarter century from 24.8 percent of GNP to 33.5 percent. But a closer look reveals, he said, that nearly the entire increase was in federal transfer payments as social security matured. This drew no net resources from the private sector to public use, he added.

ACKLEY ALSO disposed of the belief that the federal payroll has swollen out of control. He noted the small and stable size of the federal workforce as a proportion of the labor force; it has actually shrunk to 2.8 percent now from 3.5 percent in 1956.

He also noted that national deficits in most years are the lowest of any of six other leading industrial nations. Over a five-year period, he said both Japan and West Germany—often pointed to for their economic performances—in each year have had much larger deficits than the United States.

MEMO FROM COPE

Risks of Prophecy: Troughs, Transitions And Bottoming Out

"Our economic plan is to begin with the 1982 fiscal year on October 1 (1981). I am as convinced today as I was when we introduced the package that this economic plan is as good as money in the bank —and if I were a betting man, I would wager the rent money on it." *—President Reagan 9/18/81*

"I think this is a light, and I hope short, recession." *—President Reagan 10/18/81*

"Forces already are in motion" that will reverse the recession.
—Murray Wiedenbaum, then chairman of Council of Economic Advisers 10/18/81

"1982 and subsequent years will show vigorous, perhaps unprecedented, economic growth."
—Treasury Secretary Donald Regan 10/31/81

"We have laid a firm foundation for economic recovery in 1982. . . . Our plan for economic recovery is sound." *—President Reagan 11/10/81*

He (President Reagan) believes that the tax cuts already in place will contain the recession and produce a sustained recovery by next spring or early summer. *—Business Week 11/23/81*

"At the time this report was prepared . . . it appeared that the recession . . . will be over by the second quarter of 1982. . . . Output and employment are expected to increase slightly in the second quarter and at a brisk pace through the rest of the year."
—President Reagan, Report to Congress 2/10/82

"Obviously, we are not out of the woods yet. There will still be some difficult days ahead. But at least we're heading in the right direction."
—President Reagan 2/18/82

"We all agree the second quarter will be the turning point." *—Murray Wiedenbaum 2/18/82*

President Reagan urged Republican faithful today (May 14) to stick with his economic program, saying that, despite continued high interest rates and record levels of unemployment, there are signs that "We've been in the trough; we've been at the bottom." *—Washington Post 5/15/82*

"We believe economic recovery is imminent."
—President Reagan 6/3/82

"The economy is at a very delicate stage. It's in a turning zone from low growth and high inflation to high growth and low inflation."
—Budget Director David Stockman 6/30/82

"You can't turn it around in a hundred days," said a senior (Reagan Administration) official.
—NY Times 7/10/82

"Clearly, we have bottomed out of the recession. Things are beginning to turn up."
—Murray Wiedenbaum 7/21/82

"Our current economic troubles are the direct result of the mistakes of the past—mistakes we've begun to correct. We've begun to rescue this economy, and the first evidence of recovery has been sighted. . . . Slowly and surely, we're working our way back to prosperity. . . .

"It is going to be slow, and it's slow now. But . . . we are in a transition period . . . and I think we're going to see an improvement in the second half of this year. . . ." *—President Reagan 7/28/82*

New Right Zap Losing Zip

Are "new right" political committees losing their knockout punch? It's not too early in the political year to ask the question, though it's too soon to provide a definitive answer.

The fact is, there is evidence that the haymakers they connected with in 1980 in helping defeat a platoon of progressive U.S. Senators so far are not scoring this year. In 1980, their "negative" independent expenditures campaigns caught their targeted candidates off guard. They had a field day.

But this year, targets of new right PACs have their fists up and are counter-punching. The new right took off after Maryland Sen. Paul Sarbanes a year age, shelled out $500,000 for TV ads to discredit him, earmarked another $500,000 through election day.

Unlike the incumbents so treated in 1980, Sarbanes was ready. He threw his own flurry against "the politics of fear and smear." The public seemed ready, too, and polls showed little decrease in Sarbanes' standing with voters, despite constant new right negative ads on TV and radio.

New right PACs are pulling the same stunt against Sen. Ted Kennedy (Mass.), Robert Byrd (W.Va.), Quentin Burdick (N.D.), George Mitchell (Maine), John Melcher (Mont.), and other Senate and House incumbents—without the impact of their 1980 campaigns. The zip is going out of their zap.

Their problem is not lack of money. Funding for major new right PACs runs well ahead of the 1979-1980 election cycle. For example, right-wing Sen. Jesse Helms's personal political toy, the Congressional Club, already has hauled in more than $7 million; the National Conservative PAC (NCPAC) more than $6 million.

Part of their problem could be some of their own troops—while continuing to kick in cash—just don't believe the promises with the same blind faith of two years ago, when the election of Reagan and a GOP-controlled Senate was hailed as the advent of a new Eden, right-wing style. Some of this stems from the peppering many right-wing leaders have been giving President Reagan, whom they spent years worshipping and trying to elect.

They're mad at him for all the wrong reasons, but their complaints are widely broadcast among the faithful. They crab about some of his key appointments as if he recruited from the Red Army. They beef endlessly about his "palace guard" of advisers who, they contend, don't put their social issues on the front burner.

Yet, here is the President pushing all their pet constitutional amendments, and his basic economic program is exactly what rightists have been clamoring for for years, but it isn't working—and they can neither understand nor excuse the Reagan deficits.

Actually, one right-wing PAC leader—Terry Dolan of NCPAC—pins the blame on Reagan for what he (Dolan) predicts will be a low-yield year for his gang politically.

Even if the notion that the right-wing PACs will swing roundhouse rights and hit mostly air this year turns out to be wrong, it will simply have been two, or perhaps four, years premature. What's happening to the right is what happens to most rabidly ideological, uncompromising movements. They find they're at their best as the "out" group, when they can carp from ringside.

When they're in the ring and don't score a quick KO, their followers—without stomach for the long haul—leave the arena and go on to other things.

Odds 'n Ends

MILLIONS OF CHILDREN victimized by Reagan-GOP budget cuts, Children's Defense Fund reports. Group's estimate: 661,000 children lose Medicaid protections; 900,000 poor and near-poor youngsters lose free and reduced-cost school lunches; 280,000 lose free or reduced-price breakfasts. In addition: 150,000 poor working families on verge of losing eligibility for government-supported day care for their children; 200,000 fewer pregnant women, new mothers, infants and children are receiving special federal coupons for milk, juice and other diet supplements; one million persons—many of them children—are dumped from food stamp rolls.

FROM CONSERVATIVE commentator Kevin Phillips comes this observation: "Over the 60 years prior to January 1981, six out of seven GOP administrations managed to 'squeeze' liberal economics enough to help trigger a recession by their second year, just in time for the congressional elections. Inasmuch as Reaganite planners took office either unaware of or determined to ignore this electoral-economic history, the record now stands at seven out of eight. . . ."

STILL ZOOMING on upward spiral is cost of medical care, which soared by 15.1 percent in 1981, soaking up 9.8 percent of the gross national product. Total health care tab for the year: $287 billion—or $1,225 per person in U.S.

5 Races ... 33,191 Votes ... Poof, There Goes the Senate!

It's conceded from the top that you can play a lot of games with numbers. But a case can be made that Republicans now hold numerical control of the U.S. Senate on the strength of only 33,191 votes out of 4,556,211 votes cast in five Senate elections—three in 1980, two in 1978.

Had those figures occurred in one election, the winner's edge would have been seven-tenths of one percent of the total vote.

That aggregate seven-tenths retained one incumbent and installed four newcomers into the Senate, clinching a lock on that body by the GOP and solidifying right-wing ideological control. The following chart lists the five close races.

STATE/YEAR	WINNER/LOSER	VOTE MARGIN	TOTAL VOTES CAST
Idaho 1980	Steve Symms/ Frank Church	4,262	433,140
North Carolina 1980	John East/ Robert Morgan	10,411	1,785,717
Arizona 1980	Barry Goldwater/ Bill Schulz	9,389	855,343
New Hamp. 1978	Gordon Humphrey/ Tom McIntyre	4,408	260,268
Virginia 1978	John Warner/ Andrew Miller	4,721	1,221,743

One Vote ... Your Vote ... Every Vote Counts!

AFL-CIO News

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LEGISLATIVE ALERT! PAGE 8

Labor Blasts Doctoring Of Cancer Risk Report

Average Pay Increases Cut By Recession

Average wage gains in major collective bargaining settlements during the first half of 1982 dropped sharply from the level of a year earlier, largely because of union concessions in the troubled auto and trucking industries.

The Bureau of Labor Statistics reported that the average first-year increase in settlements covering 1,000 or more workers in the first six months was 3 percent, compared with 7.7 percent in the first half of 1981. Measured over the life of the contracts, the average annual wage adjustment was 2.7 percent, against 6 percent a year earlier.

NEARLY THREE-FIFTHS of the 1.9 million workers covered by the settlements are employed under contracts that specify no wage increase, and more than 90 percent of this group is in the automobile and trucking industries where the unions renegotiated their contracts, granting wage concessions to preserve jobs and minimize layoffs in the face of depressed business.

For workers scheduled to receive pay boosts under major first-half settlements, the average increase is 7 percent in the first contract year and 6.2 percent annually over the life of the contract. Settlements in construction and apparel manufacturing account for about half the workers in this group. The rest are in a variety of industries, including airlines and railroads, retail trade, and finance, insurance and real estate.

Nearly all the workers not scheduled for specified pay increases could receive cost-of-living adjustments under contract COLA clauses keyed to the consumer price index. But COLAs are not included in average settlement calculations because they depend on unknown future changes in the CPI, the report noted.

ABOUT 73 PERCENT of the workers covered by first-half settlements have COLA clause protection, but about three-fourths of these workers are in the group not scheduled for specified pay raises. For that reason, the average wage gain in settlements with COLA clauses was much lower than usual—1.4 percent in the first year compared with 7.2 percent in contract settlements without COLA clauses.

Settlements with COLA clauses had an average term of 33 months compared with 25 months for those without such clauses.

COLA clauses were introduced or reestablished in contract settlements covering 130,000 workers, primarily in the apparel industry, while COLA clauses were dropped in settlements covering 42,000 workers.

THE BUREAU reported that the application of COLA clauses under reviews scheduled in the first half of 1982 recovered about three-fourths of the rise in the consumer price index for some 2.4 million workers, with increases averaging 1.8 percent.

In another section of the report, the BLS said effective wage adjustments during the first six months—current settlements, deferred increases and COLAs—resulted in an average increase of 4.9 percent for the 5.1 million workers under

(Continued on Page 6)

CARRIER ALERT program to serve elderly or handicapped postal customers is expanding under the joint endorsement of the Letter Carriers and the U.S. Postal Service. Carriers like Ray Byers of NALC Branch 3520, chatting with customers in Bailey's Crossroads, Va., [illegible] marked mailboxes of older, disabled or homebound people on their routes. An unusual build-up of mail that could be a sign of trouble will be reported to a local social service agency which will check out the residence. **(Story on Page 2.)**

NLRB Revokes Its Ban On Election Deception

False and deceptive last-minute statements by management or unions will no longer be grounds for setting aside the results of a representation election, the National Labor Relations Board ruled.

Its 3-2 decision marked the NLRB's third flip-flop on the issue in five years, and reflects the changed membership on the labor board.

IN THE MAJORITY this time are the NLRB's three newest members — Chairman John Van de Water, Robert Hunter and Don Zimmerman.

Dissenting were former Chairman John Fanning and Howard Jenkins. The last time the NLRB dealt with the issue—in 1978—they were part of a 3-2 majority.

The new Van de Water majority ruled that deception won't invalidate an election unless it involves forgery of a document that isn't likely to be recognized as propaganda. Otherwise, anything goes—even if the other side doesn't have a chance to set the record straight.

AFL-CIO Organization & Field Services Director Alan Kistler said the practical effect of the new policy favors employers.

WHILE UNIONS have sometimes had election victories overturned, most cases of unfair last-minute tactics involve employer misconduct, Kistler noted. He expressed concern that some employers might see the board policy as a green light for last-minute "dirty tricks."

The case that led to the NLRB's change of policy involved the Midland National Life Insurance Co. of Sioux Falls, S.D.—a firm with a record of labor law violations. The company had enclosed in the pay envelopes that workers received just before the NLRB vote a packet of false attacks on Food & Commercial Workers local that was seeking representation rights.

Typical was a picture of a closed factory with a text claiming that the plant was shut down by a UFCW strike, and "Now, all the workers are gone."

In fact, there had been no strike for

(Continued on Page 2)

Urges Probe Of Chemical Industry Role

The AFL-CIO has urged a thorough congressional investigation of the role of a federal agency and the chemical industry in altering a scientific report on the risks of cancer from exposure to benzene at currently accepted levels.

George H. R. Taylor, director of the AFL-CIO Dept. of Occupational Safety & Health, expressed labor's concern over the incident in a letter to Rep. David R. Obey (D-Wis.). Taylor cited the action of the International Agency for Research on Cancer in altering an assessment of the cancer risk from benzene without the consent of the scientific panel that prepared the report.

THE MONOGRAPH issued by the IARC, a subsidiary of the World Health Organization, contained in draft form a paragraph estimating a minimum of 140 to 170 workers exposed to 100 parts of benzene per million parts of air (100 ppm) over a working lifetime of 35 years. It also estimated that exposure at a level of 10 ppm would result in at least 14 to 17 excess deaths per 1,000 workers.

When the monograph was published, however, the reference to the cancer risk at the 10 ppm exposure level did not appear.

Benzene is a known cancer-causing agent, a fact that the IARC monograph specifically acknowledged. The chemical is widely used throughout industry, and upward of two million American workers are exposed to it daily on the job. Its presence in consumer products and in the environment as a result of pollution also affects the general public.

THE 10 PPM level is the current industry threshold exposure to benzene in the workplace. A standard of 1 ppm has been recommended by the National Institute of Occupational Safety & Health, but in 1980

(Continued on Page 5)

House Backs Labor's Stand On Food Stamps, Pesticides

Labor's position prevailed in House votes on food stamp eligibility and health hazards for workers exposed to pesticides.

The food stamp issue came up in a bill that pushed spending levels for agricultural programs below the budget ceilings set by Congress.

Republicans wanted to make further cuts at the expense of the food stamp program, which was severely reduced in last year's budget cuts and faced further trims in the new bill cleared by the House Agriculture Committee.

THE GOP SUBSTITUTE would have made hungry families wait five days instead of two days for "emergency" issuance of food stamps and would have eliminated "expedited service" for families suddenly without income because of job loss or causes such as a wage-earner's desertion of a family. It also would have required states to impose stringent job search requirements on all food stamp recipients and set severe financial penalties for states that do not bring their "error rate" in processing food stamp eligibility below 5 percent.

Agriculture Committee Chairman E. Kika de la Garza (D-Tex.) protested that the Republican proposal would deny food to people "fully eligible" for the program "at a time when they need food desperately." To a migrant family with no money and no food, the extra days of delay under the GOP substitute "can be a very long time," he stressed.

The House defeated the food stamp cutbacks by a 210-181 vote.

On the unrelated Federal Insecticide,

(Continued on Page 3)

8/14/82

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BENEFIT RALLY for jobless workers organized by the Minnesota AFL-CIO gets a boost from National Football League Players Association members on the Minnesota Vikings who helped the federation raise more than $15,000 for emergency aid to the unemployed. Minneapolis's Leamington Hotel donated a room and food, and labor was donated by Hotel Employees & Restaurant Employees and the Musicians. Some 700 people attended the July 25 benefit. Signing autographs are, from left, Vikings tight ends Bob Bruer and Joe Senser and punter Greg Coleman.

OCAW Challenges NLRB's Ruling On Scrapping of Union Contracts

A National Labor Relations Board decision that would allow an employer to toss aside a union contract will be appealed by the Oil, Chemical & Atomic Workers.

In the ruling, the NLRB dismissed OCAW's charges that Amoco Production Co. of Houston broke federal labor law when it informed employees it was voiding an agreement with their unaffiliated local union after they had voted overwhelmingly to affiliate with OCAW.

OCAW will appeal the ruling to the 5th Circuit Court of Appeals to review the board's ruling.

John Van de Water, currently serving as NLRB chairman, and members Howard Jenkins, Jr. and Robert P. Hunter signed the majority opinion which held that the non-members in the unit should have been allowed to participate in the vote just as all employees are permitted to vote in representation elections.

In a dissenting opinion, members John H. Fanning and Donald Zimmerman said the election met all requirements of the law and pointed out that the vote on whether to affiliate with OCAW was an internal union matter similar to votes on contract ratification, election of officers or [illegible]

If an employee is given fair opportunities to join a union and participate in its affairs, Fanning and Zimmerman said, and then chooses not to do so, "he is responsible for his own disenfranchisement."

The case dates to 1974 when the unaffiliated National Oil Workers Union mailed ballots to 382 members of Amoco Production's 480 employees for a vote on affiliation with the AFL-CIO union. The vote was 214 to 71 in favor of joining OCAW.

Prior to the balloting, NOWU had conducted a series of nine meetings on the question for which advance notices were posted on plant bulletin boards. Workers who attended the meetings were told that they had to become members of the union to participate in the vote and that they could do so by signing a dues authorization form.

When the union notified the company of the results and said it was going to continue its relationship with Amoco as OCAW Local 4-14, the company sent a letter to each employee saying its contract with the union was void.

IN 1975, the NLRB upheld OCAW's complaint that Amoco had violated provisions of the National Labor Relations Act by refusing to bargain and repudiating its agreement.

In continuing action the board reaffirmed its decision, but in 1980 the 5th Circuit Court remanded the case to the NLRB for more study of the facts, leading to the current decision.

Fanning and Zimmerman said in their dissent that the majority ruling deprives employees "of their freely chosen representative and denies to them the fruits of collective bargaining which the (National Labor Relations Act) was designed to guarantee."

NLRB Policy Shift Discards Ban on Election Deception

(Continued from Page 1)

more than 18 months before the plant closing and no link between the two events. Other enclosures were equally deceptive.

THE NLRB majority agreed that the hearing officer had properly applied the labor board's standard in recommending that the election—which the union lost on a 107-107 tie vote—be rerun.

But it said the standard for invalidating an election should be changed since it involved subjective judgments as to what is deceptive and didn't give enough credit to the "natural skepticism" with which workers view election campaign claims.

"We rule today that we will no longer probe into the truth or falsity of the parties' campaign statements and that we will not set elections aside on the basis of misleading campaign statements," the Van de Water majority said.

IN A SHARP dissent, Fanning and Jenkins protested the decision of "a bare majority of the board" to scrap a "flexible and balanced standard" that has worked well and replace it with "an ultra-permissive standard that places a premium on the well-timed use of deception, trickery and fraud."

The policy the NLRB scrapped "did not attempt to sanitize elections completely but only to keep the campaign propaganda within reasonable bounds," the dissenters noted. But under the new rule, there will be no check on "unscrupulous . . . professional opinion molders who devise campaigns for many of our representation elections."

And while the majority said it will consider an exception in the event of a forged document, Fanning and Jenkins saw little distinction between a forgery and the action of the employer in the case before the board of taking entirely out of context data from the union's financial report. It gave the false impression that union dues "benefited only union officials . . . and ingeniously made the union itself appear to be the source of this misinformation."

The policy that the new NLRB majority overturned stems from a 1955 decision that was refined in a 1962 standard in which the board said "an election should be set aside only where there has been a misrepresentation or other similar campaign trickery, which involves a substantial departure from the truth, at a time which prevents the other party or parties from making an effective reply, so that the misrepresentation, whether deliberate or not, may reasonably be expected to have a significant impact on the election."

In 1977 — as happened this year — changed membership of the board led to a 3-2 decision dropping this standard and abandoning NLRB concern with last-minute misrepresentations. Then as now, Jenkins and Fanning were in the minority.

Twenty months later, in December 1978, a change in board membership put Jenkins and Fanning in a 3-2 majority that returned to the earlier standard, which then prevailed until the current reversal.

The immediate effect was to give the management of Midland National Life a victory in its long anti-union campaign since certification of the tie vote meant that the UFCW local "had not received a majority of valid votes cast."

Conservative Economist New Reagan Adviser

Harvard economist Martin Feldstein has been named by President Reagan to succeed Murray Weidenbaum as chairman of the President's Council of Emonomic Advisers. The Senate must confirm the appointment.

Feldstein, 42, also heads the National Bureau of Economic Research, a private group in Cambridge, Mass., known mostly for its pronouncements on the beginning and ending of recessions.

A conservative economist, Feldstein has supported much of the Administration's supply-side economic policy and the Federal Reserve Board's restrictive monetary policy.

Weidenbaum resigned from the CEA chairmanship to return to teaching at Washington University in St. Louis. Feldstein has taken a two-year leave of absence from Harvard.

Carrier Alert Plan Widened By Mail Union

An on-going Letter Carriers community service program for the elderly and disabled will be expanding as a result of a formal agreement between the union and the Postal Service.

NALC President Vincent R. Sombrotto and Postmaster General William F. Bolger signed a joint statement of support for the Carrier Alert program.

THE PROGRAM also has the approval of the American Red Cross, the United Way and the Health & Human Services Dept.'s Administration on Aging.

Under the Carrier Alert plan, elderly, disabled or homebound people will be able to register with a local community service agency to have their mailboxes specially marked. Local letter carriers will keep an eye on the boxes for unusual accumulations of mail that could be a signal of distress.

The carriers will report the situation to their postal station, which will alert the sponsoring agency responsible for quickly checking out the home.

PARTICIPATION IN the program by letter carriers, post offices and local agencies as well as the postal customers will be voluntary.

At the signing ceremony, Sombrotto pointed out that frequently the only regular contact elderly or handicapped people have is the daily visit from their local letter carrier.

"Having the carrier alerted to look for signs of distress provides an extra measure of security," he said, adding that the Carrier Alert program "is a joint effort by labor and management to create a permanent framework for the spontaneous acts of helpfulness letter carriers frequently perform in the course of their daily duties."

Sombrotto cited incidents in pilot carrier alert programs where letter carriers have spotted an unusual mail build-up and the agencies have entered the homes to find the elderly person lying injured from a fall or severe illness.

THE AFL-CIO Community Services Dept. participated in the planning of several of the experimental alert programs.

Bolger noted that concern of the carriers for their customers is not new, but the joint endorsement of union-management participation in the program at the local level is.

House Committee Votes to Revive Credit Controls

A labor-supported bill to revive the Credit Control Act won 24-18 approval from the House Banking Committee.

The measure, which the AFL-CIO considers an important tool for economic recovery, is sponsored by Committee Chairman Fernand J. St Germain (D-R.I.). It would reinstate, with some clarifications, standby authority for the government to regulate credit so that available funds will be channeled to the most productive uses.

President Carter used credit controls to help bring down interest rates in a previous recession, but the law expired June 30 and the Reagan Administration doesn't want it renewed.

THE LEGISLATION approved by the committee authorizes the President to trigger Federal Reserve Board authority to regulate credit in order to lower interest rates during recessions as well as to fight inflation. It also would give the Federal Reserve new authority to investigate any credit transaction for $100 million or more that involves a corporate takeover.

Committee voting generally followed party lines, but Rep. Stuart B. McKinney (R-Conn.) broke with the GOP to support the bill, while several conservative Democrats opposed it.

Convention Strengthens Programs

Bakery-Tobacco Union Seeks Cadre of Activists

Hollywood, Fla.—The 31st convention of the Bakery, Confectionery & Tobacco Workers acted to strengthen the union's education and organizing programs in keeping with the convention theme—"Braving Changing Times"—and adopted an increase in per capita payments to support the effort.

The more than 600 delegates overwhelmingly approved resolutions to finance an aggressive, regionalized education program and create a new full-time position of organizing director.

THE EXPANDED programs along with other costs will be financed by per capita increases of $1 per month effective Jan. 1, 1983, and Jan. 1, 1985. The current monthly per capita payment is $3.75.

Other constitutional changes approved by the convention provide for increases in the minimum dues rates for local unions, currently $8 a month, to $10 on Jan. 1, 1983, and $12 in 1985. The daily strike benefit, now $5, will rise to $6 and $7 on the same schedule.

President John DeConcini, in his keynote address to the delegates, said the goal of the regional education program is to develop "a cadre of 2,000 to 3,000 additional activists who will become politically active, who will assist in organizing, who will talk 'pro-union' in the locker room, on the shop floor, when they're out for a beer, who will take on the union's work wherever they go. . . . We need to unionize the organized."

On organizing, DeConcini noted the loss of 10,000 members over the past four years as a result of layoffs, plant closings and automation, but stressed, "We are not going to pull in our horns."

IN REVIEWING the union's progress, DeConcini expressed particular pride in the successful merger of the Bakery & Confectionery Workers and the Tobacco Workers which created the BC&T at the last convention in 1978.

In a major address to the delegates, AFL-CIO President Lane Kirkland also cited the merger, observing that it has benefited both the unions involved and had taken place "smoothly and harmoniously, an indication of the sense of common purpose and brotherhood at all levels" of the organization.

Kirkland reviewed the harsh effects of the Reagan Administration's supply-side policies on the nation's workers, noting that "the billions taken from the people" in tax breaks for corporations and wealthy individuals "are not being plowed back into job-producing investments" as Reagan and his advisers had promised.

"INSTEAD," he said, "they are being spent on corporate cannibalism—takeovers and acquisitions that produce not one job, but rather destroy jobs and close factories."

Kirkland cited the spirit of determination arising among union members throughout the country "to march again on Solidarity Day 1982—Election Day—to change this country's direction."

"We have just three short months," he continued, "to support candidates for the Senate and the House who care about people and to see that all the people we can reach are registered to vote, that they know the candidates and their voting records and their positions on the issues, and that they thoroughly understand what is at stake in this election."

KIRKLAND'S theme was picked up by other speakers, including Sen. Paul Sarbanes (D-Md.).

"What is most appalling to me as a member of Congress," Sarbanes said, "is the attitude of the Reagan Administration—its lack of respect, sensitivity and understanding of working men and women and their families."

NAACP Executive Director Benjamin Hooks reminded the delegates of the natural alliance between blacks, other minorities and the labor movement.

DeConcini was re-elected unanimously for another four-year term, along with Sec.-Treas. Rene Rondou and Executive Vice President Graydon E. Tetrick.

Other speakers included Richard Mercier, executive vice president of the Canadian Labor Congress; Norman Hill, president of the A. Philip Randoph Institute; Joyce Miller, president of the Coalition of Labor Union Women; Henry Lacayo, chairman of the Labor Council for Latin American Advancement; Alan Kistler, director of the AFL-CIO Dept. of Organization & Field Services, and the retired former director of that department, William Kircher; Robert Harbrant, president of the AFL-CIO Food & Beverage Trades Dept.; John Mara, secretary-treasurer of the Union Label & Service Trades Dept., and Al Barkan, who retired last year as COPE director for the AFL-CIO.

HARSH EFFECTS of the Reagan Administration's supply-side economics on America's workers could be reversed by a massive turn-out of union members at the election polls in November, AFL-CIO President Lane Kirkland told Bakery, Confectionery & Tobacco Workers delegates. At the head table are BCT President John DeConcini, left, and Sec.-Treas. Rene Rondou, who were re-elected.

McBride Says Steel Industry Sought Too Many Givebacks

Pittsburgh—Steel companies "went too far" in pressing for wage concessions by workers and some 400 local union presidents voted unanimously to reject a wage freeze and keep in effect the third and final year of the basic steel contract.

That's the course that was recommended by USWA leaders who had sought to reach an agreement with the unemployment-battered industry that would have traded contract concessions for strengthened job security.

USWA PRESIDENT Lloyd McBride told reporters that union and industry negotiators "spent a great deal of time trying to find answers to our mutual problems" but simply couldn't agree.

Thus, union members in the steel industry received their scheduled 23-cent average wage increases plus a 25-cent-an-hour cost-of-living adjustment on Aug. 1, along with other previously negotiated contract improvements.

Management had sought a freeze that would have eliminated both payments, reduced starting wages by $3-an-hour and a cap on future cost-of-living increases.

"We were prepared to recommend some sacrifice," McBride said. But the management proposal "went too far. The industry gave us a final proposal and said, 'if you can't accept that, then there's no deal.'"

THE RESULT was "no deal" as the local union presidents, who had been assembled to act on any proposed contract change concurred with the leadership's recommendation to reject management's proposal.

"The amount of sacrifice that our members were asked to take under this proposal were substantially larger than those given in auto or any major industry within the past year," McBride pointed out.

"We will uphold our part of the last year of the current agreement in the industry," he added. "We will always be ready to discuss new and reasonable proposals from the industry in anticipation of 1983 negotiations."

McBride said he expected negotiations with the industry for a new contract to begin next winter or spring. The existing three-year agreement expires in August 1983.

Western Summer Institute Draws 58 Union Women

Eugene, Ore.—The first Western Regional Summer Institute for Union Women was held at the University of Oregon here, and 58 women unionists completed the intensive six-day course.

The participants represented 22 unions in California, Colorado, Idaho, Nevada, Oregon and Washington.

Plenary sessions covered labor issues of special interest to women including the effect of the changing economy on women, comparable pay for work of comparable worth, sexual harassment, and technological change.

Afternoon workshops offered skill training in grievance handling, bargaining, newsletters and public relations, political action skills, community services, organizing and leadership skills.

The institute was one of four sponsored this summer by the University & College Labor Education Association with the AFL-CIO Dept. of Education.

Speakers at the conference included Oregon AFL-CIO President Irvin H. Fletcher and AFL-CIO Education Director Dorothy Shields, who also presented diplomas to the graduates.

The other institutes were held this summer in Austin, Tex., Storrs, Conn., and Bloomington, Ind. The women's summer institute program is six years old, but 1982 was the first year that a conference was held in the Northwest. The program was coordinated by Leila Wrathall, an instructor at the university's labor education and research center.

House Votes Support Labor Stands

(Continued from Page 1)

Pesticide & Rodenticide bill, to renew the authority of a law that will expire this year, labor's concern was the safety and health of workers handling commercial pesticides.

The chemical industry lobbied hard to weaken access to health and safety data on the grounds of protecting trade secrets. And it especially sought to have the federal law supersede any state law that provided more stringent standards. That effort was aimed at nullifying California's labor-supported law, which is intended especially to protect farm workers.

Legislative Director Ray Denison wrote House members that the AFL-CIO supported the bill only if it were strengthened by amendments protecting the authority of stronger state laws, eliminating restrictions on public access to health and safety data and allowing private citizens access to federal courts to litigate violations of the registration and disclosure law.

A 250-154 VOTE for the state laws amendment and voice vote approval of the other provisions led to passage of the pesticide control measure with labor support. The Senate has not yet acted on the issue.

As the AFL-CIO News went to press, House-Senate conference committees had not yet completed action on a number of labor concerns, including an additional period of extended unemployment benefits and a rollback of changes in the law imposed by Congress last year which threaten to virtually wipe out the extended benefits program despite the continued surge in unemployment. That was one of the issues before the conference dealing with the Senate-passed tax bill.

In other areas, the AFL-CIO expressed its views on pending issues in letters that:

- Reiterated the AFL-CIO's opposition to tax credits for tuition paid to private elementary and secondary schools. In a letter to Senate Finance Committee Chairman Robert Dole (R-Kan.), the federation said the concept threatens public education and will reduce revenue "when Congress and the Administration are cutting mercilessly into federal programs, including federal aid to education."

Subsequently, Dole announced that the committee will stop marking up the Reagan-supported bill until the Administration can provide guarantees that it would not cover private schools that discriminate.

- Suggested in letters to senators a number of changes needed in an immigration reform bill scheduled to reach the Senate floor soon.

The key to effective controls, the federation stressed is "penalties on employers who knowingly hire" unauthorized aliens. "We believe this approach can be made to succeed without stimulating economic discrimination against any ethnic group," the AFL-CIO said.

- Strongly supported the National Development Investment Act, scheduled for early House action, which continues and strengthens both the Public Works & Economic Development Act and the Appalachian Regional Development Act.

The legislation provides 50 percent federal grants to states, economic development districts and local governments for economic development goals. It authorizes $500 million annually for three years for construction, repair and improvement of public facilities and for revolving loan funds for job-creating businesses.

Machinists Put USAir Terms To Members

The Machinists reached a tentative settlement with USAir just minutes before a strike deadline was to take effect. A walkout by nearly 2,000 mechanics and related workers would have been the first ever against the airline.

The union said the ratification process was to begin shortly with a mailing of the terms of the tentative agreement to members. Details will be made public after the process is underway.

CHIEF IAM NEGOTIATOR Vic Mazzocco, assistant general chairman of IAM District 141, said the sticking points in the bargaining were over wages and concessions sought by USAir, which the union called "inappropriate" because the company is doing well financially.

The company wanted "takebacks in pension and job protection areas," Mazzocco said.

Negotiations began last September, a month before the old contract expired. The dispute had been in mediation since March.

The Machinists would have been free to strike on Aug. 9 under the terms of the Railway Labor Act, which also applies to the airline industry.

THE IAM IS ALSO in negotiations with Eastern Airlines for a new contract for 13,600 employees whose agreement ran out in December.

A strike authorization vote got a 95 percent approval from the membership—which "certainly should have made a statement to Eastern Airlines that that's the membership speaking and not just the negotiators," District 100 President Charles E. Bryan said.

A key issue in the negotiations is the airline's "variable earnings program," Bryan reported. Eastern has been holding back 3.5 percent of employees' salaries to help pay for equipment and other items. The money will be returned with a share of profits when Eastern's earnings are favorable.

Although the five-year VEP program expired July 4, Bryan noted that Eastern is still deducting the money from paychecks. Settlement of that issue could remove the strike threat, he said.

Ratification Vote Near Completion At Westinghouse

Members of two major unions at Westinghouse Electric Corp. are well on their way toward ratifying new agreements with the company reached July 25.

The Electrical, Radio & Machine Workers reported that results from their largest Westinghouse locals indicate 12-to-1 support for the contract and numbers large enough to assure ratification. IUE represents nearly 15,000 of the company's 30,000 organized employees.

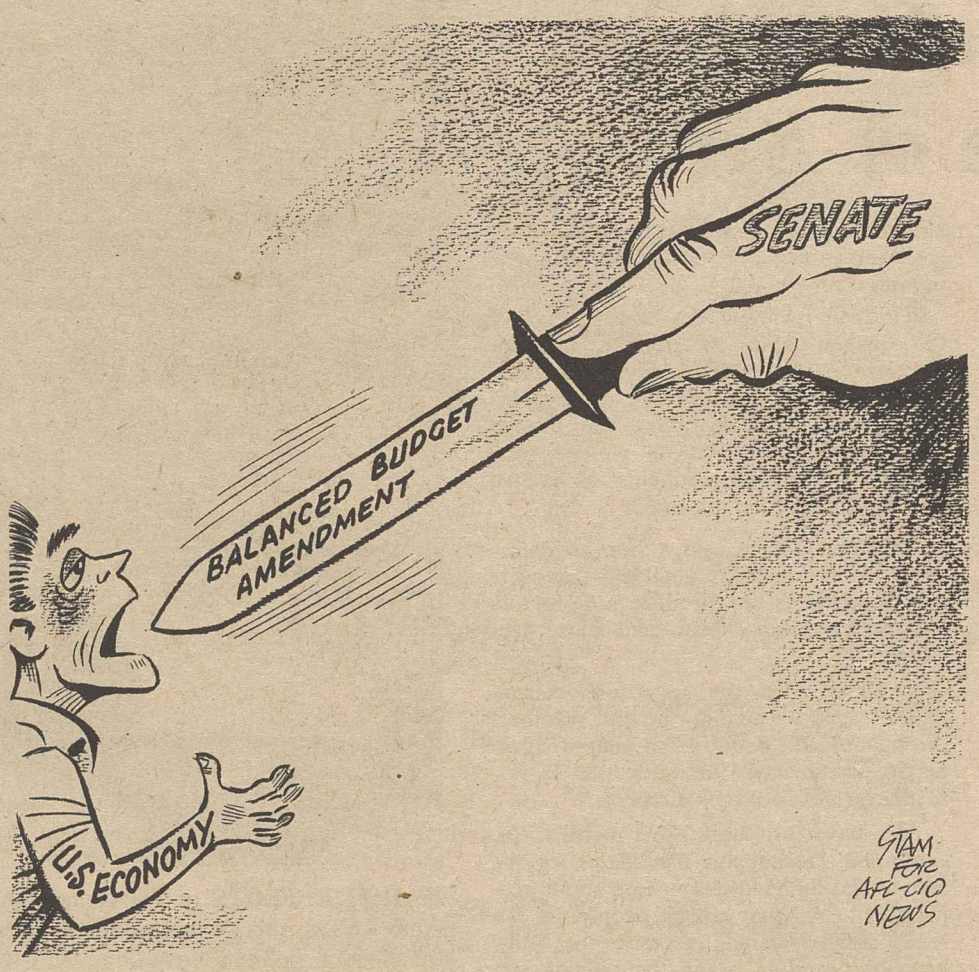
Results from most of the 52 International Brotherhood of Electrical Workers local unions representing over 12,100 Westinghouse workers have also passed the simple majority needed for acceptance of the pact, the union said.

The IBEW completed voting Aug. 9; the IUE concludes Aug. 14, and the unaffiliated United Electrical Workers—representing about 3,700 Westinghouse employees—will finish its vote Aug. 23.

All three unions are part of a 13-union coordinated bargaining committee which endorsed the terms of the tentative settlement.

The new contract calls for a 7-percent wage increase retroactive to July 12, a new cost-of-living adjustment formula and changes in the pension plan to retain the non-contributory plan with some modifications for contributions by some employees, as well as higher benefits.

'Say Aaagh!'



California Unions Demand Employment Commitment

Anaheim, Calif.—Delegates representing California's 1.7 million union members called for "a total commitment to full employment" and branded the Reagan Administration's economic program "a pathetic failure."

An economic policy statement adopted by the California AFL-CIO's 14th convention asserted the "duty" of the federal government to provide jobs when the private sector falters. It also urged close federal and state regulation of plant closings to minimize hardships on workers and their communities.

THE 640 DELEGATES termed improvement in California's unemployment insurance program "absolutely crucial," noting that as of the start of 1982, California ranked 35th among the 50 states in maximum unemployment benefits.

A keynote address by Executive Sec.-Treas. John F. Henning urged that the "one commanding issue" for the state's labor movement is "to drive from political office the Reaganites in Washington and their allies in the state."

Delegates unanimously elected Henning and State AFL-CIO President Albin J. Gruhn to new two-year terms.

THE CONVENTION endorsed and gave enthusiastic welcomes to the Democratic candidates for Senate and the governorship.

Gov. Edmund G. Brown, Jr. is running for the Senate seat being vacated by Sen. S. I. Hayakawa (R-Calif.); Los Angeles Mayor Tom Bradley is running for governor.

James Kennedy, executive assistant to AFL-CIO Sec.-Treas. Thomas R. Donahue, stressed the importance of labor's election effort this year.

"IF WE DO OUR job as it deserves to be done, we will put this country back on the road to equal rights and equal justice," Kennedy stressed.

The chief justice of California's Supreme Court, Rose E. Bird, warned that right-wing ideologies are attacking the judiciary to impose their own concept of law.

Among the ballot issues that will be before California's voters, delegates opposed Proposition 11, which would require a 5-cent deposit on all beverage containers, and opposed Proposition 14, which would take redistricting decisions from the legislature and leave authority to a nonelected commission. The convention voted "no recommendation" on Proposition 12, a nuclear freeze initiative.

Delegates recommended approval of various propositions involving construction bonds, including a plan to finance low-interest mortgages for moderate-income first-time homebuyers. The convention opposed providing state-financed textbooks for private schools and supported a proposition to encourage installation of fire sprinklers and alarm systems in locations where their installation is not compulsory.

Apparel Study Finds Buyers Shun Imports

Columbia, Mo. — By a wide margin, American consumers prefer U.S.-made apparel to imports, and a large majority register concern that foreign-made clothing is jeopardizing American jobs, according to a study released by the University of Missouri.

More than 59 percent of the consumers surveyed said it was important to them to buy American-made clothes, while nearly half rated imports inferior in quality to domestically produced apparel. Less than 6 percent considered imports superior in quality to U.S.-made items.

SEVENTY-THREE percent of the persons interviewed in the telephone survey agreed that the imports wipe out American jobs, and 57 percent said their concern for U.S. workers influences their decision on whether to buy imports.

More than 55 percent of the respondents said stronger federal laws are needed to curb apparel imports; less than one-third opposed stronger import limits.

The survey found that, by a margin of 59 percent to 18 percent, consumers feel that retailers mark up larger profits on imports than on domestic apparel.

Eighty-three percent of the respondents agreed that there is reason for public concern about the threat to U.S. clothing manufacturers from imports. More than 60 percent accurately perceived that the United States has a trade deficit in apparel, and a similar majority expressed distress at the trade imbalance.

The survey involved telephone interviews with 1,350 consumers, representing a cross section of the population in 32 areas across the country, including a mix of metropolitan, small town and rural communities. It was directed by Dr. Kitty Dickerson, chairman of the clothing and textiles department at the university's College of Home Economics.

Senate Vote on Amendment To Compel Balanced Budget

The AFL-CIO strongly opposes the attempt to write a balanced budget requirement into the Constitution. Therefore the 31 senators who voted against the proposed balanced budget amendment on Aug. 4 supported labor's position. The 69 senators who voted for the amendment were against labor's position.

FOR LABOR'S POSITION

Democrats 24

Baucus (Mont.)	Eagleton (Mo.)	Kennedy (Mass.)	Moynihan (N.Y.)
Biden (Del.)	Ford (Ky.)	Leahy (Vt.)	Pell (R.I.)
Bradley (N.J.)	Glenn (Ohio)	Levin (Mich.)	Randolph (W.Va.)
Bumpers (Ark.)	Hart (Colo.)	Matsunaga (Hawaii)	Riegle (Mich.)
Cranston (Calif.)	Inouye (Hawaii)	Metzenbaum (Ohio)	Sarbanes (Md.)
Dodd (Conn.)	Jackson (Wash.)	Mitchell (Me.)	Tsongas (Mass.)

Republicans 7

Chafee (R.I.)	Gorton (Wash.)	Kassebaum (Kan.)	Weicker (Conn.)
Cohen (Me.)	Heinz (Pa.)	Mathias (Md.)	

AGAINST LABOR'S POSITION

Democrats 22

Bentsen (Tex.)	Cannon (Nev.)	Hollings (S.C.)	Proxmire (Wis.)
Boren (Okla.)	Chiles (Fla.)	Huddleston (Ky.)	Pryor (Ark.)
Burdick (N.D.)	DeConcini (Ariz.)	Johnston (La.)	Sasser (Tenn.)
Byrd, H. (Va.)	Dixon (Ill.)	Long (La.)	Stennis (Miss.)
Byrd, R. (W.Va.)	Exon (Neb.)	Melcher (Mont.)	Zorinsky (Neb.)
	Heflin (Ala.)	Nunn (Ga.)	

Republicans 47

Abdnor (S.D.)	Durenberger (Minn.)	Kasten (Wis.)	Rudman (N.H.)
Andrews (N.D.)	East (N.C.)	Laxalt (Nev.)	Schmitt (N.M.)
Armstrong (Colo.)	Garn (Utah)	Lugar (Ind.)	Simpson (Wyo.)
Baker (Tenn.)	Goldwater (Ariz.)	Mattingly (Ga.)	Specter (Pa.)
Boschwitz (Minn.)	Grassley (Iowa)	McClure (Ida.)	Stafford (Vt.)
Brady (N.J.)	Hatch (Utah)	Murkowski (Alaska)	Stevens (Alaska)
Cochran (Miss.)	Hatfield (Ore.)	Nickles (Okla.)	Symms (Ida.)
D'Amato (N.Y.)	Hawkins (Fla.)	Packwood (Wash.)	Thurmond (S.C.)
Danforth (Mo.)	Hayakawa (Calif.)	Percy (Ill.)	Tower (Tex.)
Denton (Ala.)	Helms (N.C.)	Pressler (S.D.)	Wallop (Wyo.)
Dole (Kan.)	Humphrey (N.H.)	Quayle (Ind.)	Warner (Va.)
Domenici (N.M.)	Jepsen (Iowa)	Roth (Del.)	

Probe of Industry Role Urged

Labor Blasts Doctoring Of Cancer Risk Report

(Continued from Page 1)

a 5-4 decision of the Supreme Court blocked OSHA from setting the 1 ppm limit. The majority ruling of the court invoked a "significant risk" dictum that requires OSHA to provide proof of the risks of excess incidence of leukemia at levels from 0 to 10 ppm before issuing a benzene exposure standard.

THE RISK assessment at 10 ppm in the IARC monograph would have given powerful support to the development of such a standard while meeting the Supreme Court's "significant risk" test. The absence of the assessment from the final version of the monograph lessens the incentive for OSHA to develop a tighter standard.

Obey first called attention to the issue last May when he released the text of an internal memorandum of the Chemical Manufacturers Association suggesting that at the industry's behest, officials of the National Cancer Institute would attempt to stop IARC from "engaging in risk assessment" because of "the regulatory impact."

He called the memorandum "most disturbing."

"While the desire of industry to avoid the potential costs which lowering benzene exposures might entail is understandable, if not laudable," he said, "action by the institute to suppress data that could result in the reduction of cancer constitutes both a violation of the public trust and a total disregard for the purpose of the Cancer Institute and the Public Health Service. It is, in a word, outrageous."

Obey is a member of the Appropriations Subcommittee with responsibility for funding the National Cancer Institute.

When the IARC monograph was released last week and the alteration discovered, Obey announced that an investigation by his office had confirmed that Cancer Institute officials, following a meeting with representatives of Exxon, Shell Chemical and the Chemical Manufacturers Association, did seek to discourage IARC from engaging in "quantitative risk assessment."

OFFICIALS OF both the institute and IARC denied that any pressure had been exerted to change the report on benzene, but Obey observed:

"It is difficult for me to believe that the sudden strong interest of the Cancer Institute in opposing quantitative risk assessment was not directly related to the preparation of the benzene document.

"I also find it difficult to believe that the extraordinary steps taken by IARC staff in altering the findings of a scientific panel without approval from that panel were not at least partially a result of pressure from the National Cancer Institute officials who control IARC funding." The institute contributes about $500,000 annually to the IARC budget.

ONE MEMBER of the scientific panel that prepared the IARC monograph, Dr. Phil Landrigan, said he was "surprised and chagrined to see that a critical portion of the benzene risk assessment had been altered."

Taylor, in his letter to Obey, called the incident a "discredit" to both the Cancer Institute and IARC "and a scandal of the highest order that both agencies allowed themselves to be used by management to alter and delete scientific findings of the panel without the consent of its members."

Taylor urged Obey to "do everything in your power to have this situation thoroughly investigated and the subject of a searching oversight hearing" by the appropriate House committee.

Obey announced that he would conclude his own investigation of the case within a week and would give a report to the full House Appropriations Committee.

In a separate letter to Dr. Vincent Devita, director of the National Cancer Institute, Taylor urged him to persuade IARC to restore the original findings of the working group and thereby contribute to the development of a benzene exposure rule "which will save the health and lives of American workers."

Unions Push for Safety Standard For Grain Dust

A grain elevator safety standard is economically feasible and urgently needed to protect the lives of workers in the industry, union witnesses told Congress.

Safety standards should be put in place to prevent further explosions in grain elevators, the panel said in testimony before a House Agriculture subcommittee. The labor representatives urged the government to follow the recommendations of the National Academy of Sciences (NAS), which stressed that a standard was necessary.

GRAIN MILLERS International Rep. Larry Barber told the committee the United States has had the knowledge and many of the techniques needed to prevent grain elevator explosions for over 60 years, "but the problem is they have not been implemented."

"How many lives must be lost," he asked the committee, "before the Administration and Congress are convinced that regulations are needed to assure implementation of already developed solutions?"

He said the NAS report estimates that 90 percent of all primary explosions in grain elevators could be prevented if the study's recommendations are put in place.

More than 100 elevators have exploded in the United States in the past five years, Barber noted.

Gene Erickson, safety director for the Grain Millers Local 118 in Superior, Wis., told the committee that many grain elevators, most built in the early part of the century, now handle twice as much grain as they were intended to "and many times the amount of dust, but with very little modification of the dust control system."

GRAIN IS EVEN dustier now than in the past, Erickson explained because of modern harvesting techniques and increased handling which drys the dust and makes it more likely to ignite.

The Occupational Safety & Health Administration issued a voluntary hazard alert on grain elevator safety, but because it does not have the force of law it has been largely ignored by the industry, Barber pointed out.

Tom Gilliam, safety chairman of Allied Industrial Workers Local 837, Decatur, Ill., told the committee that even though a safety standard could not provide guarantees against all accidents, "it can provide the means of insuring that worker safety does not take the back seat to production demands and the economic interests of elevator and mill owners."

SAMUEL GOMPERS MEMORIAL will be unveiled on Labor Day in San Antonio, Tex., the city where the AFL's first president died in 1924. Sculptor Betty Jean Alden touches up a model of the statue, which with its base will stand more than 20 feet tall on park land donated by the city. AFL-CIO President Lane Kirkland will be the keynote speaker at the dedication, capping a two-day celebration of labor's past, present and future.

Unveiling of Gompers Statue Labor Day Highlight in Texas

San Antonio, Tex.—AFL-CIO President Lane Kirkland will join Texas unions in a Labor Day tribute to Samuel Gompers, the founding father of the modern American labor movement and the first president of the American Federation of Labor.

Kirkland will deliver the keynote address at the unveiling of a statue of Gompers and will be grand marshal of the San Antonio AFL-CIO's Labor Day parade, climaxing a two-day celebration.

THE EVENT grew out of a proposal by Vice President Glen Peterson of the Government Employees to commemorate Gompers in the city where he died in December 1924 while returning from a trip to Mexico following an AFL convention in El Paso.

The proposal was taken up with enthusiasm by local and state labor organizations, and Joan Suarez, president of the city central labor body, and Harry Hubbard, president of the Texas AFL-CIO, are serving with Peterson as co-chairs of the project. Kirkland and AFGE President Kenneth Blaylock are honorary national co-chairs.

The statue of Gompers, by noted sculptor Betty Jean Alden, was commissioned by the San Antonio AFL-CIO after a local design competition. It stands 16 feet high on a six-foot slab of granite, and depicts Gompers surrounded by a group of working men and women. The memorial will be situated on park land donated by the city across from the convention center. It will be the first statue of a union leader to be erected in the state.

SUAREZ SAID the theme of the celebration—"Labor Is Alive"—will show the state and the nation that "the Texas labor movement has a past, a present and a future that we believe in.

"Samuel Gompers represents the past; our parade, picnics and other family activities represent the present, and the union leadership who'll be with us on Labor Day represents the future."

She said that besides Kirkland, a number of national labor officials will be on hand for the festivities. Local unions from all parts of Texas will enter floats in the parade.

The city is making preparations to receive as many as 100,000 visitors for the weekend celebration.

OTHER EVENTS will include a public reception for Kirkland, a reception sponsored by the Texas Labor Council for Latin American Advancement honoring Farm Workers President Cesar Chavez, the state banquet of the A. Philip Randolph Institute, and numerous picnics and receptions to be held by individual unions.

The project is being financed by contributions from national and international unions, state and local central bodies, local unions and individuals, and major contributors will receive ceramic reproductions of the Gompers memorial and will have their names engraved at the base of the statute. At last report, the organizing committee had raised about $90,000 of the estimated total cost of $200,000.

Iowa Beef's New Offer? Same Old Call for Giveback

Dakota City, Neb. — Striking members of the Food & Commercial Workers didn't expect much when the union-busting management of Iowa Beef Processors, Inc., agreed at the governor's request to meet with the union.

They were absolutely right.

The company, which has been served with a National Labor Relations Board complaint of refusal to bargain in good faith, put on the table the contract "offer" it had made before the strike started more than two months ago.

It offered a four-year wage freeze to present employees. For new workers, according to Lewie Anderson, the director of the UFCW's Packinghouse Division, the company proposes to pay $2 below the present starting rate for the first two years, $1.50 below the starting rate in the third year and $1 under in the fourth year.

The company has reportedly "implemented" its starting rate proposal for more than 1,000 strikebreakers it hired from unemployment lines throughout the Midwest. The strikers' ranks are still solid, the union reports.

FIRE FIGHTERS delegates at the union's convention in Chicago vote approval of the formation of an ad hoc task force of IAFF officers and consultants to help local unions handle serious problems—such as attempts by local jurisdictions to contract out fire protection or to consolidate fire and police services.

Police Union Elects Baker New Secretary-Treasurer

Las Vegas, Nev. — Delegates to the Police Associations' convention elected Dave Baker as the union's new secretary-treasurer.

Baker had been elected to IUPA's executive board as first vice president in 1981 and was formerly president of the union's Memphis, Tenn., affiliate. He defeated incumbent Robert D. Gordon who had held the secretary-treasurer post since the union received its AFL-CIO charter in 1979.

The three-year term of President Edward J. Kiernan is not up until next year.

THE 167 DELEGATES representing some 16,500 law enforcement officers voted to revise the union's bylaws in an effort to bolster organizing efforts and expand services to affiliates.

The key change was a clarification of a provision governing convention voting strength. Under the new code, a local affiliate's votes will be weighted according to per capita taxes paid during the year preceding the convention. The old clause left unclear how votes were to be allotted to a local association affiliating with the parent body shortly before the union's annual meeting.

The convention reactivated the union's political action arm, the Law Enforcement Political Action Committee (LEPAC). Baker was charged with preparation of a formal structure, including constitution and bylaws, for approval by the board.

THE CONVENTION also endorsed a program to develop a wider range of services for affiliates, such as organizing and bargaining aids, group purchase of legal services and others linked to the widely differing needs of local associations.

The union was founded in 1978 and chartered a year later by the AFL-CIO. Its member associations range from newly formed local unions to formerly unaffiliated police and law enforcement organizations.

The executive board also was directed to study possible revision of the union's per capita structure.

The convention also endorsed resumption of the union's magazine, Law Officer, which had been temporarily discontinued. The first issue is planned for early fall.

IN OTHER elections, seven incumbent and nine new members were elected to the IUPA executive board. The new members are Wendell Phillips, Sacramento, Calif.; Terry Shreeve, Phoenix; Don Danneker of the union's Minnesota state affiliate; Pete Sovich, Omaha, Neb.; Dave Becher, Fort Wayne, Ind.; Dave Gray, Toledo, Ohio; Ray Maples, Memphis, Tenn.; Jerry Stewart, Cobb County, Ga.; Jack Moriarty, Connecticut.

Re-elected were Stan Nylan, Takoma, Wash.; O. C. Lee, Las Vegas; Tom Cardwell, Alexandria, La.; Robert Thomas, Houston; Robert Kliesmet, Milwaukee; Sid Grossman, Tri-State (New York, Pennsylvania and New Jersey) and Al Angele, representing retired members.

Caribbean Basin Plan Seen Threat To Industrial Base

Enactment of the Administration's Caribbean Basin Initiative legislation would "further weaken the U.S. industrial base," the AFL-CIO warned at Senate hearings.

Legislative Rep. Stephen Koplan said the AFL-CIO supports direct economic assistance to Caribbean nations although Congress should "carefully scrutinize" the Administration's funding request.

THE AFL-CIO is strongly opposed to the trade and tax incentives contained in the bill, he stressed.

The "zero tariff" proposals will encourage "new runaways by U.S. industries to the Caribbean region," with a loss of American jobs.

In addition, Koplan charged, the loose local content standard will allow non-Caribbean countries "from the Soviet Union to the Far East" to funnel duty-free goods into the United States.

Koplan said the AFL-CIO has discussed the issues involved with Caribbean area unions and considers it important for trade unionists "to be consulted on the plans and programs being considered by our respective governments for the development of the Caribbean economies." But the Administration proposal, he told the Senate Finance Committee, "will simply assure continued swollen profits for multinationals at the expense of the U.S. economy."

'Nice Guy, Tough Guy'

Union, Community Role Of Fire Fighters Cited

Chicago—Fire Fighters must continue to play a leading role as "the essential bulwark of the fire service" in their cities and towns, IAFF President John A. Gannon stressed in his report to the union's 36th convention.

The 169,000-member union, Gannon told the convention "is the guardian not just of our jobs, pay scales and benefits, but it is the best organized force working to assure that Americans and Canadians have an efficient and effective fire service."

IN HIS KEYNOTE speech, Gannon said the IAFF has come through "probably the two most difficult years in our history." He pointed out that professional fire fighters have demonstrated that "the 'Mr. Nice Guy' who protects our communities can quickly become 'Mr. Tough Guy' when it comes to protecting the well-being of fire fighters and their wives and kids."

AFL-CIO President Lane Kirkland told delegates in a telephone hook-up that the more than 10 million workers desperately searching for non-existent jobs constitute the largest number of unemployed Americans since 1935.

"But in 1935 we had a President—Franklin Roosevelt—and a Congress that believed it was the responsibility of government to stabilize the economy, create jobs and restore dignity to workers and their families," Kirkland stressed.

"TODAY, WE have a President who is determined to dismantle the very programs that were created to repair the damage of the Great Depression."

Kirkland, speaking from New York where the AFL-CIO Executive Council was meeting, observed that Reagan has long been dedicated to shrinking the role of government and have private investment "create new jobs and prosperity."

Citing the sharp increases in unemployment, bankruptcies and poverty, Kirkland pointed out, "It hasn't exactly turned out that way."

CUTBACKS IN government services are hurting the public and public workers as well, he said.

"When professionally trained and highly skilled public workers, like those you represent, are sent to the unemployment line while their work is farmed out to private, non-union outfits it is the people who will suffer."

Kirkland also warned that attempts to combine fire and police services into so-called consolidated departments would cause additional hardships on the public.

IN THE IAFF elections, Gannon was re-elected to a second two-year term as president over Vice President Clarence Perez of New Orleans. But Sec.-Treas. Martin Pierce, also seeking a second term, was defeated by a margin of 81,594 to 57,221 by Albert K. Whitehead, president of the IAFF local union in Los Angeles County, Calif.

Whitehead, 52, has been a member of the county fire department for 28 years. He is a vice president of the Los Angeles County AFL-CIO as well as the California AFL-CIO.

Four new vice presidents were elected, two to fill vacancies, two in election contests. The new vice presidents are Khuron Huddleston of Memphis, Tenn.; Ernest Mass of San Antonio, Tex.; Donald E. Faughnan of Binghamton, N.Y., and Leroy H. Waite of Beloit, Wis. The newly elected officials will take office Sept. 4.

THE CONVENTION voted the title of "emeritus" to former Sec.-Treas. Frank A. Palumbo, and for the first time to a retiring vice president, Jack Bostick of Fort Worth, Tex., who has served the IAFF for 30 years.

Pierce noted in his report to delegates that the union's large financial deficit, which came to light after the 1980 convention, had been cut almost in half. He expressed hope that within the next two years it could be practically eliminated.

To help meet the union's financial needs, delegates approved a two-step, 49-cent increase in per capita payments, which are now $2.61 a month, and an additional 2.5 cents to pay for the computerization of financial and administrative records. The per capita tax will rise 39 cents on Sept. 1 and another 10 cents Sept. 1, 1983.

The convention approved the concept of an ad hoc task force of IAFF officials and consultants to help local unions concerned with special problems, such as consolidation of police and fire departments, contracting out of fire protection to private profit-making corporations, or major cuts in fire personnel and services.

Speakers at the five-day convention included Chicago Mayor Jane Byrne and Sec.-Treas. Robert Petersdorf of the Painters.

Recession Impact Reflected in '82 Pay Settlements

(Continued from Page 1)

major contracts who received such increases. The average was 2.9 percent when prorated for all 8.7 million workers covered by major agreements.

Bargaining on major contracts in the third quarter affects 634,000 workers covered by major agreements expiring in the July-September period plus 750,000 under contracts that expired before July 1 for which new agreements had not been reached or ratified by the end of June.

In addition, about 2.4 million workers are scheduled to receive previously negotiated but deferred pay increases during the third quarter. These average 4.4 percent. About 2.4 million workers are scheduled for COLA reviews during the period.

Four More Get Degrees at Meany Center

Four more trade unionists have been graduated with degrees from the George Meany Center for Labor Studies.

Receiving bachelor of arts degrees in labor studies were Joann Barber of Phoenix, Ariz., former state president of the Postal Workers; Carl Dimengo of Akron, Ohio, assistant research director of the Rubber Workers; James Hull of Fairbanks, Alaska, former assistant business manager of International Brotherhood of Electrical Workers Local 1547, and C. John Kleywegt of Des Moines, Iowa, former president of Communications Workers Local 7102, now labor studies coordinator for the Des Moines Area Community College.

In a commencement address, Prof. Wilbur J. Cohen of the University of Texas, who is a George Meany Center trustee, reminded the graduates that America's social reform movement was formulated by teachers of labor history.

Cohen offered 10 points he had found essential in trying, to change the system to meet workers' needs. The first of these is that most social legislation must be "incrementalized," the former secretary of the Dept. of Health, Education & Welfare stressed.

Fred F. Hoehler, executive director of the center presided at the ceremony.

SEVEN EARLIER graduates returned to the campus for the graduation and a two-day institute held at the request of the alumni group that is trying to promote scholarships for the center.

The center's college degree program is operated with Antioch University, a pioneer in non-traditional education. Thirty-four trade unionists have earned degrees since the program began in 1974.

Another 130 are now enrolled in the program. They come from 35 AFL-CIO unions in 43 states. Their median age is 37.

Most work in the college degree program is done by the students at home. Twice a year they are required to come to the campus for one week to attend classes, meet with instructors and plan their courses for the next six months.

The center's college degree program is open to all officers, representatives and full-time staff members of the AFL-CIO affiliates.

Prescription for Disaster

THE SENATE shamefully moved the balanced budget constitutional amendment a crucial step closer to adoption.

Too many senators who knew better showed what AFL-CIO President Lane Kirkland properly called "political cowardice" and passed the buck to the House.

For the good of the country, for the Constitution to remain a charter of democratic government and not a hodge-podge of special interest restrictions, it must not go further.

THE PROPOSED amendment is a prescription for economic disaster. Honest conservatives as well as liberals have voiced their abhorrence.

If members of the House vote their honest convictions, there is no way it can muster the two-thirds vote to get it through Congress or even the simple majority required to bypass the Judiciary Committee and bring it to the House floor.

There can be no excuse for a vote that would be so destructive of American government and leave the nation so defenseless against unemployment at home and saber-rattling abroad.

Throwing Stones

THE PRESIDENT of the International Association of Machinists, William W. Winpisinger, is no slouch as a debater as his colleagues on the AFL-CIO Executive Council can readily attest.

But his skill wasn't put to much of a test on NBC's Today Show, where he was matched against Reed Larson, the president of the National Right to Work Committee.

THE SUBJECT WAS "union violence," which the Right to Work Committee says should be met by transforming the Hobbs Act from a law against racketeering into a weapon against unions in a lawful strike. The version originally proposed would subject a picket who throws a punch in anger or threatens to "get even" with a scab to 20 years in a federal prison.

The Right to Work Committee spokesman tried to make his point with a television news clip showing some of the strikers at Iowa Beef throwing rocks at cars of strikebreakers speeding through their picket line. But his example so backfired that it ended up proving just the opposite.

Now, people who throw stones at cars are subject to arrest under local law, even if the cars carry strikebreakers hired at $2-an-hour below the union starting rate. And, indeed, the police did arrest some strikers—but not on trumped-up felony charges that could send them to prison for 20 years.

IN CONGRESSIONAL testimony on the Hobbs Act amendments the National Right to Work Committee wants enacted, the Justice Dept. agreed that there is no dearth of local or state laws to deal with "violence" in the course of lawful labor disputes. Nor has it found local and state police unwilling to enforce the law.

If Mr. Larson should give in to irresistible impulse while walking past the AFL-CIO building and throw a stone at a window, he would face arrest and punishment as local ordinances provide.

That's as it should be. We see no cause for keeping him in prison for the next 20 years—or even for keeping him off television. At least on this issue, he makes labor's best witness.

AFL-CIO News

Official Weekly Publication of the
American Federation of Labor and Congress of Industrial Organizations
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THOMAS R. DONAHUE, *Secretary-Treasurer*

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'Otherwise, It Works Fine!'

Manna Manana

Economic Setbacks Contradict Cheery White House Forecasts

By Gus Tyler

TREASURY SECRETARY Donald T. Regan said in late June: "We can begin to see the first vistas of recovery."

Then the June figures came in. The index of industrial production — covering manufacture, mining and energy — fell by seven-tenths of 1 percent, a figure that over a year adds up to about 9 percent.

THIS IS NOT the first and is not likely to be the last time that the Administration has played the Hooverian game of fiddling fanciful tunes while the economy burns. When the 1981 tax bill was in the making, President Reagan declared optimistically that it would have an immediate effect, psychologically stimulating the markets to leap forward.

When that did not happen, the Administration predicted that what did not happen the first year would happen the second year.

Came January of the second year and the economy went into a slump. But the Administration promised progress in the second month, a progress that actually materialized in February, only because January weather had depressed that opening month so badly that, by comparison, February looked good.

BUT BY THE END of the first quarter, it was clear that the economy was not in a state of recovery. So the Administration called upon the nation to wait for the second quarter—April to June—to see some real uplift. But now, it appears, that the second quarter showed no real recovery.

So now the Administration predicts in a July statement that the second half of the year will show a pickup of from 4 to 5 percent.

So goes it: wait for the second year, for the second month, for the second quarter, for the second half. There will be manna manana.

The reason that the Administration gives for expecting recovery is a pickup in consumer demand. White House deputy press secretary Larry Speakes says that we are going from "recession to consumer-led recovery." Robert Ortner, chief economist for the Commerce Dept., says that expecting recovery is a pickup in consumer de- the leader."

The evidence of such a consumer outpouring is missing, however. In June, retail sales fell; in the first ten days of July new car sales fell.

WHAT THE Administration is counting on is that increased social security payments and further lowering of income taxes will boost buying power. But the social security adjustment merely compensates for increases in the cost of living and the cut in income taxes is being offset by new taxes (both federal and local) and by increased social security taxes.

Ortner himself is quite dubious about his own prediction. In speaking about stronger consumer spending, he added, "if it's the only thing that goes up in the second half, the recovery will be on the weak side."

In other words, while consumers may be spending more money they may not be buying more things because prices will be up.

ALL THIS squirming by the Administration and its spokesmen amuses the economic analysts. Here is a conservative Administration counting on increased demand to stimulate the economy—a policy that is generally identified with the liberal policies of John Maynard Keynes, patron saint of the New Dealers. At the same time, the same Administration goes along with a Federal Reserve Board that favors high interest rates as a way to check demand in order to hold down inflation.

The end result is a totally self-contradictory program whose inconsistency and ineffectiveness is concealed in variations on the Hooverian theme that "recovery is just around the corner."

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AFL-CIO LEGISLATIVE ALERT!

Senate Bows to Program-Cutting Budget Amendment; AFL-CIO Mounts a Major Opposition Drive in House

The Senate approved the Constitutional amendment to force balanced budgets by a vote of 69-31. Because Constitutional amendments require a two-thirds vote for passage, S.J. Res. 58 would have failed if only three more Senators had voted against it. (See roll-call vote inside this issue of the News.)

The AFL-CIO Executive Council has assigned a top priority to defeating the balanced budget Constitutional amendment in the House. The council formed a special committee to coordinate the opposition campaign, which includes: AFSCME President Gerald McEntee, CWA President Glenn Watts, Steelworkers President Lloyd McBride, Letter Carriers President Vincent Sombrotto, AFT President Albert Shanker, and Operating Engineers President J.C. Turner.

WHAT YOU CAN DO:

In person: Contact your Representative's district office now to arrange a meeting during the Labor Day recess (Aug. 20-Sept. 8). Even if your Representative has a good voting record, do not assume he or she will oppose H.J. Res. 350.

Key points to make: Tell your Representative that you realize that the balanced budget amendment is a veiled attempt to force deeper cuts in all programs. Urge him or her (1) not to sign the petition to discharge H.J. Res. 350 from the Judiciary Committee, and (2) to oppose the balanced budget amendment if it should reach the House floor.

Is Social Security worth a 13¢ postcard? The balanced budget amendment would force deep cuts in all programs. If you value Social Security, OSHA, good schools, interstate highways, and other government programs, help stop H.J. Res. 350 now. Clip and mail the sample postcard below.

WRITE YOUR REPRESENTATIVE NOW

U.S. House of Representatives
Washington, DC 20515

Dear Representative _____:

I urge you to oppose H.J. Res. 350, the balanced budget Constitutional amendment, and I urge you not to sign the petition to discharge it from committee.

If adopted, this Constitutional amendment could worsen future recessions, force big cuts in programs like Social Security, and undermine national security. It would give the "power of the purse" to a minority in Congress. Please let me know whether you will oppose the balanced budget amendment.

Sincerely,

_____

Supreme Court Clears Path for Bankruptcy Changes

The consumer credit industry has been pushing Congress for legislation to deny bankruptcy relief to virtually all hard-pressed Americans, and a recent ruling from the U.S. Supreme Court may have inadvertently greased the skids for passage of the industry-backed bill. The high court, ruling on an unrelated bankruptcy issue, ordered Congress to reform the bankruptcy court system by October 4, 1982. Senate Republicans say they intend to use the court-mandated legislation as a vehicle to pass the industry bill.

WHAT YOU CAN DO: Urge your Senators to oppose S. 2000, the unfair bill to eliminate bankruptcy relief for hard-pressed Americans.

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Workers Win on Pesticide Rules, Food Stamp Cuts

Pesticide Rules Protect Farm Workers

The House passed several improving amendments and then overwhelmingly approved a bill to extend the federal law that provides farm workers with health-related information about the pesticides they handle. By a 352-56 vote, the House reauthorized the 1978 Federal Insecticide, Fungicide and Rodenticide Act (FIFRA).

Struck from the bill was a harmful provision that would have prohibited states from developing additional protections beyond the federal law. The right of workers harmed by pesticide exposure to seek relief privately through the federal courts was restored. Another amendment assured scientists access to chemical manufacturers' information about the ingredients of pesticides, so that independent scientists can study health effects.

Cuts in Food Stamp Program Limited

During consideration of budget reconciliation for agriculture programs, the House rejected a bill by Rep. William Wampler (R-VA) which would have made food stamp program slashes even deeper than cuts already made.

The Wampler bill would have ended emergency food stamp service for families who have recently lost their source of income. Thus if a head of a household was laid off unexpectedly, the family would have been denied food stamps for up to 30 days, even if they had no money to buy food in the meantime.

The House wisely rejected the possibility of additional hardship for the growing numbers of laid-off workers.

...RECESS...The House and Senate will adjourn for the Labor Day recess on August 20, and will return to Washington on September 8. Contact your Representative and Senators now through your union or central labor council to arrange meetings while they are back home. It is especially important that Representatives be urged to oppose putting Reaganomics into the U.S. Constitution with a balanced budget amendment...

August Recess Status Report on Key Labor Issues

INTEREST RATES: The House Banking Committee approved H.R. 6124, to extend the Credit Control Act and grant Presidential authority to bring down interest rates. H.R. 6124 also would prevent loans to corporations for the purpose of buying other companies. Such corporate mergers absorb scarce investment funds but add nothing to the nation's productive capacity.

What You Can Do: To ensure quick action in the full House on the credit control extension bill, urge your Representative to cosponsor H.R. 6124. And urge your Senators to cosponsor the companion S. 2526.

NON-PROFIT POSTAL RATES: The House Appropriations Postal Service Subcommittee voted to continue at current levels funding for non-profit organizations' mail delivery, rejecting a Reagan demand for additional cuts in the program. If sustained in the final package, the funding could ease the pressure for continual increases in non-profit postal rates.

"FLAT" TAX RATES: So-called "flat" tax rates would give tax cuts to the wealthy, and shift the tax burden further toward low- and middle-income taxpayers. This unfair scheme has been introduced in the Senate as S. 2817 and in the House as H.R. 6944. A future Alert! will provide a complete analysis of this issue.

JOBS AND TRAINING: H.J. Res. 514, an urgent supplemental appropriations bill calling for approximately $1 billion for jobs and training, was rewritten and given a new bill number--H.J. Res. 562. It is pending before the full House Appropriations Committee. Urge your Representative to cosponsor H.J. Res. 562, to provide relief for laid-off workers and distressed communities suffering from high unemployment.

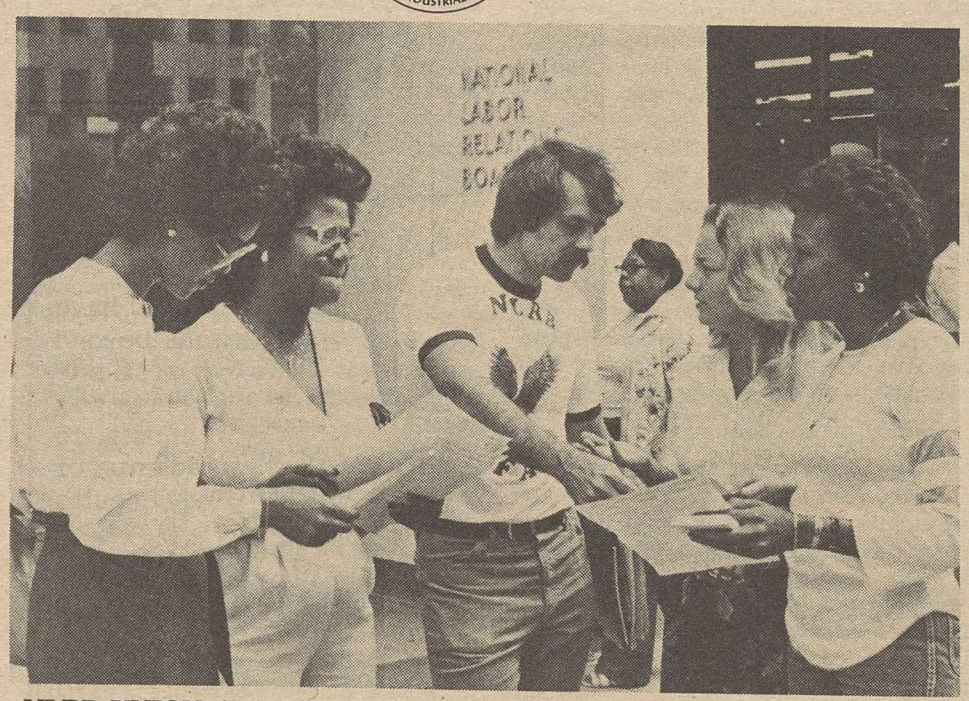
FOOTBALL: The National Football League, instead of negotiating in good faith with the NFL Players Association, is mounting a massive lobbying drive on Capitol Hill to gain a special exemption from anti-trust laws. Despite enormous profits and a reported $2 billion contract with television networks, the NFL wants more freedom to move teams without warning, to put games on pay TV, and to ignore the players' attempts to bargain.

What You Can Do: Hearings on the industry-backed legislation begin in the Senate Judiciary Committee this week. Urge your Senators to oppose S. 2784, your Representative to oppose H.R. 6467, the NFL anti-trust exemption bills.

AFL-CIO News

MEMO FROM COPE PAGE 8

Vol. XXVII | Saturday, August 21, 1982 | No. 33



NLRB UNION, in handbills distributed at the agency's headquarters in Washington, charged the National Labor Relations Board and Chairman John Van de Water with refusal to bargain and unfair labor practices against its clerical workforce. The unaffiliated union accused the Van de Water board of violating the principles of the law it is supposed to enforce. **(Story, Page 3.)**

Coalition Presses Balanced Budget Amendment Fight

By David L. Perlman

A right-wing drive to inflict a balanced budget amendment on the Constitution stalled in the House, and the trade union movement and its allies have mounted a national grassroots campaign to keep it from getting unstuck.

AFL-CIO President Lane Kirkland called on state labor federations and city central bodies to take advantage of a two-week congressional recess for back-home lobbying of House members whose votes will decide the outcome.

THE SENATE has already approved the balanced budget amendment, 69-31, and a two-thirds vote in the House would send it to the states for ratification.

That must not happen, Kirkland wrote the AFL-CIO's state and local leaders. He warned that the amendment, which also limits the government's taxing powers, would turn recessions into depressions and "guarantee the destruction of federal programs that organized labor has fought to enact."

A coalition of equally concerned national organizations will work side by side with America's unions on the campaign.

Congress will be in recess through Labor Day, and an Executive Council committee headed by State, County & Municipal Employees President Gerald W. McEntee is coordinating the AFL-CIO campaign.

IT WILL concentrate on some 100 key congressional districts and stress personal visits by delegations from unions and allied groups to House members who will be in their home states during the recess.

In many localities, radio and newspaper advertisements will help get labor's message across, and postcard mailings will help workers in factories, offices, hospitals, stores and construction sites send their representatives a message.

Early in the recess, on Aug. 24, a 13-state television conference will link local union leaders from some 42 targeted congressional districts with the national campaign in Washington. AFL-CIO Sec.-Treas. Thomas R. Donahue, McEntee and other union presidents will be participating from teleconference facilities that are located at AFSCME's headquarters.

Meanwhile, representatives of some 50 concerned non-labor organizations meeting at the AFL-CIO's invitation applauded the news that the discharge petition campaign by House supporters of the amendment has missed a key deadline.

SUPPORTERS of a balanced budget constitutional amendment have tried to pry it out of the House Judiciary Committee through the seldom-used means of a petition signed by 218 members—a majority of the House of Representatives.

There are strict rules governing when a bill discharged from committee can be called up for a vote, and the 218 signatures had to be obtained by Aug. 18 to

(Continued on Page 2)

House Approves Measure 226-207

Tax Bill Clears Hurdle Despite Republican Split

President Reagan had to look to House and Senate Democrats for the votes needed to pass a revenue-raising, deficit-cutting measure that will take back some of the over-generous tax reductions given to businesses last year.

The bill, which passed the House by a bipartisan 226-207 vote and was sent to the Senate, also increases excise taxes on consumers, imposes a new Medicare levy on paychecks of federal and postal workers, and trims back Medicare, Medicaid and welfare assistance—all steps opposed by the AFL-CIO.

IT ESTABLISHES a new but temporary program of federal supplemental benefits to unemployed workers who have exhausted their state unemployment compensation payments. And it taxes unemployment benefits for all but the lowest income brackets to pay for the program. **(Story this page.)**

But it was the tightening of various business loopholes and tax windfalls that split conservative ranks down the middle, compelling Reagan to take to television and unleash a full-court press by White House lobbyists on Republicans and "boll weevil" Democrats who have been his staunchest supporters.

They balked at a projected revenue increase estimated at $98.3 billion over a three-year period.

As Reagan pointed out, it wasn't all tax increases. A new withholding system on dividends and interest patterned after payroll tax withholding on wages and salaries would bring in revenue by reducing tax evasion.

Changes in leasing provisions that allow profitable corporations to avoid taxes by buying up tax credits accumulated by other companies would diminish some of the most publicized abuses resulting from last year's tax bill. Other provisions would curb tax avoidance tactics in mergers, and a new minimum tax would recapture additional lost income.

People in all income brackets would be affected by curtailment of medical deductions, higher cigarette, airport and telephone excise taxes, and tipped employees would be faced with higher withholding requirements.

DESPITE Reagan's strong personal appeal, the Chamber of Commerce continued to lobby against the bill. And the House

(Continued on Page 6)

Tax Bill Package Contains Added Jobless Benefits

Persons who are still unemployed after their state unemployment compensation has run out would be entitled to additional weeks of federally-paid benefits under a section of the tax bill package

Here's how it would work:

THE FIRST benefits under the new federally-funded program would be paid the week of Sept. 12 and the program would end on Mar. 31, 1983. Individual eligibility for benefits would be the same as the requirements for extended unemployment benefits under present law.

Maximum duration of the new federal supplemental benefits would be either 10 weeks, eight weeks or six weeks, depending on the state.

If the state had paid extended unemployment benefits at any time since June 1, even if it has since triggered-off because of a drop in the insured unemployment rate, its residents would be entitled

(Continued on Page 2)

UFCW Strikers Supported

Council Backs Iowa Beef Boycott

By Susan Dunlop

The AFL-CIO Executive Council has endorsed a consumer boycott against the products of Iowa Beef Processors, Inc. for the fourth time in the turbulent history of bargaining between the company and the Food & Commercial Workers.

In the current dispute, about 2,000 UFCW members struck IBP's Dakota City, Neb., plant June 8 after more than 25 fruitless bargaining sessions since March, including a meeting called at the request of the state governor.

IBP HAS REFUSED to bargain on its "final" contract offer which calls for a four-year wage and cost-of-living freeze, wage cuts for about 700 workers and an entry level wage scale drastically lower than current workers' pay, the UFCW said.

Iowa Beef has kept the Dakota City plant operating, according to a UFCW background report, by recruiting about 1,400 strikebreakers from among other unemployed workers in the Midwest, but daily production is less than half its level prior to the strike.

The National Labor Relations Board on Aug. 5 issued a complaint against the company on charges of refusal to bargain and other labor law violations. A hearing has been set for Oct. 13.

THE DISPUTE at the Dakota City plant has been marred by emotional confrontations between picketing union members and scabs, and the governor has assigned a large force of state police and National Guard troops to the plant.

Since its first attempt to gain a contract in 1969, the Food & Commercial Workers, at that time the Meat Cutters, have either been locked out or forced to strike to gain a settlement. The use of scabs has figured in each dispute.

In the seven-and-a-half-month strike from August 1969 to April 1970, the Meat Cutters charged Iowa Beef with placing scab recruitment ads on Spanish language radio stations reaching both California and Texas and over the U.S.-Mexico border.

IOWA BEEF locked out its employees in a 189-day dispute that lasted from July 1973 until January 1974, and in the longest action, the union struck the beef packer for 14 months from February 1978 to April 1979. That contract expired May 1, 1982, but the union asked for an extension until June 6.

On June 5, the Federal Mediation &

(Continued on Page 3)

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8/21/82

Market Surge No Boon for Workers

By James M. Shevis

The New York stock market chalked up a record rise on near-record volume in response to a slight downward movement in interest rates, but behind the Wall Street euphoria there remained nagging doubts about the health of the U.S. economy.

For American workers, the buying surge promised little if any relief from the unremitting rise in joblessness—at 9.8 percent nationally in July and at Depression-like levels in certain parts of the country.

"UNFORTUNATELY, good news for Wall Street does not help the millions of workers who don't have jobs," AFL-CIO Economist Markley Roberts observed. "America still needs decisive action to create jobs, and that includes action by Congress on the credit-control bill."

Much of the market action, which saw the Dow Jones Industrial Average soar a record 38.81 points Aug. 17, followed a turnabout on the part of Henry Kaufman, the chief economist at Salomon Brothers investment banking concern. The widely watched New York credit analyst reversed his view that short- and long-term interest rates would remain high, saying they would instead continue to drop over the next 12 months. But he based his reassessment on the persistent recession and the prospect of reduced demand for business loans, factors that bode ill for the millions of Americans unable to find jobs.

"The immediate threat that would have driven interest rates back to their 1981 peak yields—a smart business recovery in the second half of the year—is now much less likely to materialize than a few months ago," Kaufman said in a memorandum to Salomon clients.

EARLIER, on the strength of the Fed's third reduction in its discount rate in less than a month, to 10.5 percent, big banks around the country dropped their prime rates—the interest they charge their best corporate borrowers—first to 14.5 percent, and then to 14 percent. A year earlier, the key lending rate stood at 20.5 percent.

"Recent events in the economy and financial markets require a new look at the prospect for interest rates," Kaufman said in his memo. "On balance, these events suggest that the decline in interest rates now under way will continue, irregular to be sure, with perhaps dramatic interruptions."

Besides cutting the discount rate, the Fed has been pumping more reserves into the banking system over the past six weeks by buying U.S. government securities. Some bankers and economists say the central bank's easing of credit conditions reflects its growing worry over the soundness of the system and the continued weakness of the economy. They warn that the economy is anemic, and that any recovery may prove shortlived.

"THE BUSINESS outlook has deteriorated," observed Albert Wojnilower, chief economist at the First Boston Corp., who, like Kaufman, this week changed his earlier prediction of continued high interest rates to lower rates through the end of the year. Wojnilower said that the Administration-sponsored 10-percent federal income tax cut in July has proved "more like a life preserver thrown to a struggling swimmer than an additional stimulus to an economy already on the point of lift-off."

The weakness in the nation's economy was underscored by a series of reports indicating that the recovery, when it comes, may not be as robust as the Administration has forecast. The President's economists are predicting annual rates of growth of about 4.5 percent in each of the next six quarters. Private economists point to a rising tide of business failures, lower production levels in the nation's basic industries, the highest jobless rate in over 40 years, and lackluster consumer spending as deterrents to a strong rebound from the nation's eighth postwar recession.

Among the ominous signs:

- Industrial production fell again in July, the 11th monthly decline in the past 12 months, the Federal Reserve Board reported. The drop would have been greater if auto production had not picked up. The output of business equipment, reflecting continued weakness in capital spending, declined a seasonally adjusted 2.1 percent after falling 3.1 percent in June.
- Domestic auto makers reported a sales decline of 26.5 percent in the first 10 days of August, the sixth consecutive period in which sales were below comparable levels a year earlier. General Motors Corp., the nation's No. 1 auto maker, announced it would close its Framingham, Mass., and Lakewood, Ga., assembly plants and cut back operations in North Tarrytown, N.Y., and Leeds, Mo., because of the gloomy car sales outlook over the next several months. An estimated 9,100 employees face indefinite layoff.
- The nation's factories operated at only 69.5 percent of capacity in July, down from 69.7 percent in June and 70.2 percent in May, the Federal Reserve Board said. The July rate was the lowest since the 60-percent level in March 1975 at the end of another severe recession.
- While personal spending—a crucial factor in any recovery—climbed 1.1 percent in July, the rate of spending over the April-June quarter was revised sharply downward. The Commerce Dept.'s new estimate was an increase of 2 percent, rather than the 3.1 percent originally reported.

ABOUT THE only good economic news was a sharp 33.7-percent increase in new housing starts in July. The Commerce Dept. reported that work began on new housing units at a seasonally adjusted annual rate of 1.2-million units last month, the highest rate since April 1981.

But all of the rise in housing starts represented a "bulge" of work begun on multi-family buildings subsidized by public funds. Single-family housing starts declined.

LABOR'S CAMPAIGN to prevent adoption of the balanced budget constitutional amendment is outlined by AFL-CIO Vice President Gerald W. McEntee to representatives of some 50 cooperating organizations at a strategy session at AFL-CIO headquarters. McEntee, who is president of the State, County & Municipal Employees, heads an Executive Council committee that is coordinating labor's efforts on the issue. The Administration supports the amendment.

Labor Pushes Fight to Block Budget Curbs

(Continued from Page 1)

force the amendment to the floor during September. Congress would now have to change its adjournment plans or be called back into a post-election "lame duck session" for a discharge petition to be utilized.

THE AMENDMENT, or some variation of it, can still be brought to the House floor at any time under normal procedures if reported by the Judiciary Committee.

As passed by the Senate, the 337-word amendment would require that federal spending each year not exceed anticipated tax revenues except in time of war or when three-fifths of the House and Senate vote to allow an exception.

Further, tax revenues could not rise faster than national income in the previous calendar year, and a three-fifths vote would be required to raise the debt limit.

THE AUG. 24 teleconference linkup will allow union leaders in Washington to address strategy sessions being held in San Jose, Calif.; Denver, Colo.; New Britain, Conn.; Fort Lauderdale, Fla.; Atlanta, Ga.; Indianapolis, Ind.; Des Moines, Iowa; Boston, Mass.; St. Louis, Mo.; Newark, N.J.; Rochester, N.Y.; Pittsburgh, Pa., and Milwaukee, Wis.

While few state legislatures are still in session, labor's campaign will also be concerned with heading off the attempt to compel a constitutional convention to act on the amendment through a petition of 34 states. Thirty-one states have passed resolutions to that effect, although the validity of some would be subject to challenge.

Stage Employees Examine Impact of New Technology

Winnipeg, Man.—Delegates to the 56th biennial convention of the Theatrical Stage Employees stressed the union's need to respond to technological change in their industry and the need for political action to preserve gains made for working people by organized labor.

The 895 delegates reviewed the wave of technological developments in the more than 30 theatrical, motion picture and entertainment crafts represented by IATSE.

THE UNION'S president, Walter F. Diehl, urged in his report to the convention that IATSE go on record with a strong endorsement of the Equal Rights Amendment to the Constitution which was reintroduced in Congress on July 14. It replaces the measure which fell three states short of the necessary 38 before the June 30 ratification deadline.

He also pointed to the AFL-CIO's efforts to prevent the slashing of programs vital to workers, such as the Occupational Safety & Health Act. He urged the union's locals individually to support these efforts and stressed the need to work with other unions in political action.

IN THE KEYNOTE address to the delegates, Shirley Carr, an executive vice president of the Canadian Labor Congress, pointed out that the U.S. and Canadian economies are in their sharpest declines since the depression of the 1930s. She stressed that "it is not workers' wages that have caused the problems" in either country, and she accused employers who demand wage concessions of putting the money "back into the profit schedules" for shareholders rather than creating new jobs.

The convention adopted a resolution of support for 26 striking employees of Group W Cable Television of Santa Monica, Calif.

The broadcast and production technicians voted unanimously in August 1981 for representation by the IATSE. The National Labor Relations Board upheld the election and the full board certified the union as the bargaining agent in May of this year, overturning Group W's objections as invalid. The company is appealing the ruling to the courts and continues its refusal to bargain.

DIEHL WAS re-elected to a fifth two-year term and James J. Riley was re-elected to his third term as secretary-treasurer. Also re-elected were 10 vice presidents. The new Canadian vice president, elected by the union's Canadian caucus, is Alan Crowley of Ontario.

The delegates also selected Las Vegas, Nev., and Hollywood, Fla., as permanent alternating sites for the union's conventions.

Tax Measure Contains Added Aid for Jobless

(Continued from Page 1)

to the maximum of 10 weeks. Some 36 states plus Puerto Rico and the Virgin Islands are expected to qualify for the 10 weeks.

OF THE remaining states, those with an insured unemployment rate of 3.5 percent or higher for the 13 weeks preceding the start of the program would be entitled to eight weeks of federal benefits. Workers in states with insured rates below that level would be limited to six weeks.

Jobless workers in effect will be paying the full cost of the program through a lowering of the present threshold at which unemployment compensation is counted as taxable income.

Jobless benefits, once fully tax-exempt, have been subject to income tax for individuals with gross incomes over $20,000 in the calendar year in which the benefits were received and for couples with incomes over $25,000.

The new plan would permanently drop the tax-exempt threshold to $12,000 for an individual and $18,000 for a couple, retroactive to Jan. 1, 1982. The provision would stay in effect, even after the temporary federal benefits program expires next March. Tax gains from this provision over the next three years would equal the cost of the six-month program.

St. Louis Carpenter Picked For Pension Advisory Panel

Perry Joseph, business manager of Carpenters Local 1310 in St. Louis, has been selected for a presidential appointment to the advisory council to the Pension Benefit Guaranty Corporation as an employee representative.

Joseph is also administrator of the union's pension, health and welfare, vacation and training funds and has served on the executive board of the St. Louis Building & Construction Trades Council.

The PBGC is the federal agency that administers pension plan protection laws.

Refusal to Bargain Charged

Council Backs Boycott Of Iowa Beef Products

(Continued from Page 1)

Conciliation Service urged another extension. The union agreed, Iowa Beef refused.

Wages have been a key issue in every contract negotiation with the company. UFCW points out that Iowa Beef has insisted on paying lower wages than any other packer in the industry, but the highly profitable company, founded in 1962, is the largest beef slaughterer, processor, packer and renderer in the world.

IN ITS background report, the UFCW notes that IBP in its 10 plants slaughters more than 24 percent of the nation's fat cattle and boxes 40 percent of all beef shipped in the United States.

The company's sales in 1981 topped $5 billion, its operating income was $85 million and its net profits were about $58 million, UFCW said. It noted that Iowa Beef alone supplies about 15 percent of the nation's beef market, and its production capacity is greater than its four nearest competitors combined. The firm was acquired by Occidental Petroleum last year.

The union has prepared information packets and instructions for its regional directors and other staff to urge markets and consumers not to stock or buy Iowa Beef products. Boycott plans include letters to market managers asking them to suspend Iowa Beef orders as well as informational picketing and handbilling at customer entrances to stores that sell Iowa Beef meat.

THE UFCW has charged that the company's contract demands are an attempt "to dismantle the labor agreement."

Besides the four-year pay freeze, Iowa Beef is calling for reclassifications that would mean lower pay for 700 workers and formation of an "extra gang" that would constitute about eight percent of the workforce employed at lower wages without contract benefits or seniority of any kind.

Other demands pressed by the company include elimination of the current weekly guarantee of 36 hours of pay Monday through Friday in favor of a 38-hour sliding scale computed twice a year that the UFCW says would gut overtime provisions and subject workers to an erratic pay scale and work schedule.

IBP WANTS to start new hires at $2 an hour less than current workers for the first two years, $1.50 less in the third year and $1 less in the fourth year.

With turnover already running at 100 percent a year in the Dakota City plant, this provision would make it extremely difficult for the union to maintain a membership, particularly in a right-to-work state, the UFCW said.

The UFCW charged that the company is already paying the strikebreakers the lower wage rates. Before the strike, workers in slaughtering were being paid $9.27 an hour and those in processing $8.97 an hour.

THE UNION offered to accept a two-year wage freeze with a wage re-opener in the third year of a three-year contract. COLA language would remain in the contract, but payments would be suspended for the term of the agreement. The union also offered to let the company adjust the weekly guarantee six times a year in slaughtering and processing.

The UFCW wants pay upgraded for five job classifications but would agree to a new-hire starting rate of $1 less than current rates for the first 60 days and 50 cents less for the next 30 days.

In addition, the union is seeking improvements in major medical coverage, expansion of dental care to dependents, improved sick leave coverage, an additional half-day holiday and a pension plan funded from profits.

UNION VOLUNTEERS made life a little easier for 11-year-old Bobby Walsh, a victim of cerebral palsy, when the Scranton, Pa., Building & Construction Trades Council built a special bathroom in the boy's home so that his parents could care for him properly. The council raised over $12,000 for the project and, thanks to volunteer labor and contributions of materials, there was enough left to buy Bobby an educational communications machine, one of only 15 in the country. With the youngster are, from left, Jack McNulty, Building Trades Council president, Fred Schimelfenig, Carpenters business manager who coordinated the volunteer workers, and Tom DeMatteo of Plumbers Local 90.

Staff Union Hits 'Unfair' Tactics of NLRB Chairman

A staff union which represents clerical employees of the National Labor Relations Board in Washington and both clerical and professional workers in NLRB field offices has charged the agency and its chairman, John R. Van de Water, with engaging in unfair labor tactics that would not be tolerated in the private sector.

The unaffiliated NLRB Union said it has been trying for more than a year to negotiate a Performance Appraisal System for headquarters employees as required by the Civil Service Reform Act.

It said in a handbill that Van de Water has refused to meet directly with the union representatives on the issue and last October unilaterally put into effect the agency's proposal "without having concluded good faith negotiations" with the union.

Meanwhile, the union said, the separately administered NLRB general counsel's office reached a satisfactory agreement with the union giving both clerical and professional field employees "equitable protections" against removal and downgradings.

It termed "discriminatory" the NLRB's refusal to extend comparable protections to headquarters workers, primarily lower-paid minorities and women.

Remedies Sought for Flaws In Immigration Reform Bill

The AFL-CIO will urge the House to [illegible] immigration reform bill that is intended to curb illegal border-crossing while giving legal residence to undocumented aliens who have established themselves in this country.

As passed by the Senate, the bill includes some features the AFL-CIO has long urged. These include penalties for employers who knowingly hire illegal aliens, although the sanctions are not as strong as the AFL-CIO had sought. And the bill takes at least a step toward an effective identification system that labor considers necessary to make the program work without risking economic discrimination against any ethnic group.

IT ALSO moves backward, in the AFL-CIO's judgment, by making it easier for agricultural employers to bring in foreign workers rather than provide the wages and conditions that would attract U.S. workers.

In a letter to senators, AFL-CIO Legislative Director Ray Denison had warned [illegible] door bracero program." The reference was to the system that flourished in the 1950s under which growers near the Mexican border kept wages down by importing each year large numbers of Mexicans to work the fields.

"In 1962, Congress disbanded the bracero program as being inconsistent with American principles and the welfare of American workers," Denison reminded senators. "In 1982, during a period of enormous unemployment, it would be unconscionable to re-authorize in any way an enlarged bracero program," he protested.

THE SENATE, nevertheless, rejected by a 62-28 vote an amendment that would have held the temporary worker program to present levels.

The employer sanctions provision, which applies to establishments with four or more workers, sets a $1,000 civil fine for a first offense for each illegal alien employed. The fine would double for further violations. A "pattern or practice of violations" would subject an employer to criminal misdemeanor penalties, which could include up to six months in prison.

All new job hires would be required to show to their employers a birth certificate or social security card along with other means of identification such as a driver's license.

The Senate bill calls for development within three years of a reliable identification system.

ALIENS WHO came to the United States before Jan. 1, 1977, would be granted permanent resident status; those who came between that date and Jan. 1, 1980, would be given temporary resident status. Temporary residents, after three years, could obtain permanent resident status. Aliens would be permitted to seek citizenship after five years as permanent residents.

The bill sets an annual limit of 425,000 new immigrants, not counting persons admitted as refugees.

No more than 20,000 could come from any country except for Canada and Mexico, allowed 40,000 each. But any unused portion of Canada's allowance could be available to Mexico.

House Approves Community Jobs Plan

The House voted 281-95 for a labor-supported program of economic development grants to unemployment-ravaged communities and soundly defeated an amendment that would have mangled Davis-Bacon Act prevailing wage protections.

The AFL-CIO welcomed the House action as a sign of growing awareness of the severity of the nation's unemployment crisis. But the measure, titled the National Development Investment Act, still faces an uphill road because of Administration opposition.

IT WOULD authorize up to $500 million a year for three years in 50-percent federal matching grants to communities that have severe unemployment problems and an economic development plan that includes private-sector commitment for job expansion.

Eligible localities would be able to use the funds for roads, water and sewer lines or other public facilities that further economic development.

The new program would be more sharply focused than the Public Works & Economic Development Act, which it would replace. That law, administered by the Commerce Dept.'s Economic Development Administration, is scheduled to expire on Sept. 30, and the Reagan Administration doesn't want it extended or replaced.

THE HOUSE-PASSED bill also authorizes substantially more funds than President Reagan sought for the Appalachian Regional Commission. The Administration wants to end all non-highway funding.

The Senate has passed a limited Appalachian assistance bill, and the House attached its broader measure to that bill in an effort to bring about a House-Senate conference.

One of the new features in the House bill is authorization for federal grants of up to $1 million each to help communities set up a revolving loan fund targeted to helping small businesses. It also authorizes technical assistance grants to help employees purchase plants that would otherwise shut down.

Rep. James L. Oberstar (D-Minn.) was the floor manager of the bill and Rep. William F. Clinger, Jr. (R-Pa.) gave it bipartisan co-sponsorship.

THE DAVIS-BACON battle came on an amendment proposed by Rep. Tom Hagedorn (R-Minn.).

Hagedorn proposed a complex system under which there would be two sets of bidders on contracts funded under the economic development legislation. One set would consist of firms willing to pay Davis-Bacon Act prevailing wages; the other of firms not bound by the requirement. A firm not paying prevailing wages would get the contract if it were 10 percent below the low Davis-Bacon Act bidder.

A hard-core of House conservatives spoke in support of the Hagedorn amendment, but it was beaten on a 237-140 vote. By party breakdown, 38 Democrats and 102 Republicans supported the attempt to lower wage standards; 174 Democrats and 63 Republicans voted against the amendment.

IN WARSAW'S Victory Square, police used water cannons to disperse a rally in support of Poland's suppressed free trade union movement, Solidarity. But Solidarity's supporters were out in even bigger numbers the next day.

Polish Rallies Show Support For Solidarity

Warsaw—Poland's communist regime used tear gas and water cannon to put down supporters of the suspended Solidarity free trade union here and elsewhere in the country as the underground labor movement opened a two-week drive to mark the second anniversary of its founding.

Riot police charged a crowd of 10,000 people in Gdansk on Aug. 13, and skirmished with Solidarity supporters gathered in Warsaw's Victory Square singing hymns and union songs. Other demonstrations were reported in Nowa Huta, near Krakow in southern Poland, and in Wroclaw.

THE INCIDENTS coincided with a visit by Gen. Wojciech Jaruzelski, the Polish government chief, with Soviet leader Leonid Brezhnev. They also came eight months to the day after Jaruzelski clamped martial law on Poland and ordered the detention of thousands of Solidarity leaders and members.

Police also dispersed crowds earlier this week in Warsaw, as the regime warned it would crack down on demonstrations between now and Aug. 31. Two years ago on that date, the People's United Workers Party signed an agreement in Gdansk establishing the first free labor movement in any communist country.

Press reports from Warsaw cited bulletins from the now-banned Solidarity union calling on its members and supporters to be "extremely visible" this year on the second anniversary of the union's legalization.

"EVERYONE MUST demonstrate that Solidarity is operating and is fighting," the bulletin was quoted in reports.

The use of tear gas here was the first in Warsaw since the last major demonstrations May 1 and 3.

Meanwhile, in a sermon at Czestochowa, Poland's Roman Catholic primate called for new talks between the authorities and the suspended trade union. The primate, Archbishop Josef Glemp, declared that the right to organize into free unions was a "natural right" of all men and women.

Charity Drive Bars R-T-W in Fort Worth

Fort Worth, Tex.—Federal employees here won't be solicited by the National Right to Work Committee's Legal Defense Fund during this fall's Combined Federal Campaign.

The anti-union group had been rated eligible in a heavily-criticized ruling by the President's Office of Personnel Management. But federal agencies in the Fort Worth area ruled that it didn't provide any local services and thus didn't qualify for the Fort Worth charity solicitation of federal workers.

The AFL-CIO Executive Council has urged government workers in cities where anti-labor groups are allowed to solicit to designate their contributions for genuine charities. The council did not advocate a boycott and asked union members to continue to "do their share" through contributions to the combined campaign because so many worthy organizations are "in desperate need" of the funds.

Fraser Raps 'Almost Useless' OSHA Chemical Label Rule

Detroit—The Occupational Safety & Health Administration's proposed chemical labeling rule is so flawed it would be "almost useless to working men and women," Auto Workers President Douglas A. Fraser declared.

Testifying at an OSHA hearing here on the proposed "hazard communication standard," Fraser said the "so-called labeling standard has any number of fatal flaws which render it lifeless—almost useless to working men and women, including the 1.2 million members of our union."

FRASER OUTLINED the "worst five flaws" of the proposed standard for the panel:

- The real names of chemicals would not be required on containers, even if the chemicals are known to be hazardous.
- Companies would have too much freedom to decide which chemicals would be labeled.
- Trade secret protection would be so broad that the identity of almost any chemical could be concealed.
- Unions would not automatically be considered workers' representatives and would have to get written authorization from workers for access to chemical information.
- Many workplaces where workers are exposed to hazardous chemicals would not be covered by the standard.

Fraser said that there are more than 90,000 "nameless, potential chemical killers roaming the workplaces of our nation," but the proposal would do nothing to stop manufacturers from revealing only trade names while concealing the true chemical names from workers.

FRASER SAID THAT "without these names, our members don't have a fighting chance against chemicals they work with every day." Choosing personal protection equipment, seeking medical help for immediate or long-term health problems and monitoring other protection methods and practices all require actual chemical names, Fraser said.

He urged OSHA to adopt a one-line labeling rule saying: "Every employer shall label every chemical container with complete and precise names and amounts of such chemicals."

"We believe that labeling all chemicals is the most cost-effective approach to labeling," Fraser declared. Management would be able to "relate particularly well to a 100-percent labeling rule," he said, because it "won't require much thought on management's part and its success won't depend on their sophistication or administrative ability. We don't believe that managers should be entrusted to label some chemicals but not label others."

Senior Citizens Denounce Tilt of Report on Aging

The final report of the 1981 White House Conference on Aging is "a disgrace and an affront to the elderly of the nation," National Council of Senior Citizens President Jacob Clayman declared.

Clayman registered his protest in a letter to Health & Human Services Sec. Richard Schweiker.

THE FINAL report of the conference, which was held last fall and cost the taxpayers $6 million, concluded that older Americans are "the wealthiest, best fed, best housed, healthiest, most self-reliant older population in our history."

That is not the way conference delegates saw it, Clayman recalled. He said the meeting "was fraught with difficulties and political manipulation." Nevertheless, it did recommend positive steps to strengthen the federal government's role in aiding the elderly, he said.

Clayman said the conference made recommendations to strengthen the Social Security system, including the use of general revenues for the trust funds. But these were omitted from the final report, he said. Also missing was a discussion of the needs of older women, Clayman observed.

The final report recommended the use of Medicare vouchers. Yet no committee involved in health care made such a recommendation, he noted.

OCAW Drops Boycott Of Faberge Products

The Executive Board of the Oil, Chemical & Atomic Workers has voted to end the union's three-year-old boycott of Faberge, Inc.

The boycott was called in 1979 after the company closed its Ridgefield, N.J., plant and reopened it under non-union conditions in North Carolina.

OCAW President Robert Goss in a letter to AFL-CIO President Lane Kirkland, said the boycott was being discontinued because of its impact on other OCAW workers at a Faberge facility in St. Paul, Minn.

Budget for Retired Couple Up 8.4 Percent over Year

Living costs for an older, retired couple maintaining a moderate standard of living last fall were 8.4 percent higher than a year earlier, the Bureau of Labor Statistics reported.

To maintain an "intermediate" lifestyle as of last October, a husband and wife retired in an urban area needed an annual income of $10,226, BLS said. Increases of 8.8 and 8.3 percent were recorded for the "lower" and "higher" budgets, respectively.

THE INCREASES are approximately 2 percentage points less than those reported for the comparable 1979-80 period, BLS said. More moderate increases in food prices contributed to the smaller rises.

The government's consumer price index rose 3.7 percent between October 1981 and June 1982, which would bring the total budget costs as of this summer, to $10,604 at the intermediate level, $7,493 at the lower level, and $15,636 at the higher level.

The three budgets, drawn up for 24 urban areas, four non-metropolitan areas, and Anchorage, Alaska, are based on a hypothetical "market basket" of goods and services purchased by retired couples. A retired couple is defined as a husband, aged 65 or older, and a wife who are self-supporting, in reasonably good health and able to take care of themselves.

DIFFERENT qualities and quantities of goods and services are provided for each budget level, but none of the three levels includes income taxes.

BLS said the lower-level budget is not defined as a subsistence or poverty level, but only as a relatively lower level than the intermediate category.

In all three budgets, medical-care costs showed the largest increases over the year, climbing 14.8 percent at the intermediate level, and 14.9 percent at the two other levels.

TRANSPORTATION costs showed the second-highest jump with increases of 13.6, 12.9, and 12.1 percent in the lower, intermediate, and higher budgets.

Rental costs include contract rent, estimated costs of fuels and utilities where these are not part of the rent, and insurance on household contents. Homeowner costs are based on the assumption that retired couples own their homes, and have no payments for mortgage principal and interest.

Budget figures for retired couples living in non-metropolitan areas were slightly lower than for urban families, $6,841 at the lower level, $9,203 at the intermediate level, and $13,241 at the higher level.

THE AVERAGE social security payment for couples aged 62 and over in the fall of 1981 was $638 a month, or $7,656 a year. The current figure is $695 a month, or $8,340 a year, still well short of either of the two higher budgets.

BLS noted that it is discontinuing its series of budget data on retired couples with its latest release because of recent budget reductions by the Reagan Administration.

Convention Mandate

Printers Seek New Ways To Advance Bargaining

Seattle—Delegates to the Typographical Union's 124th convention heeded a call by President Joe Bingel to develop "new and alternative measures to strengthen" bargaining as they voted to expand use of the union's $6.7-million strike fund to include "activities in lieu of" strikes.

Addressing the convention's opening session, Bingel charged that more and more often bargaining is being "prolonged and frustrated by the professional bully boys with brief cases out to destroy good labor-management relationships" and that many times "their sole duty is to provoke a strike or lockout."

COUPLING THOSE tactics with the high level of automation and the tremendous financial resources of publishing industry conglomerates in many instances results in a strike no longer being "the ultimate weapon" in bargaining, Bingel said.

The convention-approved measure, which will go to referendum for ratification by the membership, also would permit use of the strike fund for "activities . . . necessary in the processing of a strike or lockout." Use of the fund's resources is now restricted to paying benefits of up to $250 a week to members on strike or locked out.

DELEGATES ALSO called upon the ITU committee that has been engaged in merger talks with The Newspaper Guild to permit "nothing . . . to interfere" with completion of a full proposal for merger of the two unions during meetings scheduled the second half of August.

"The urgency of bringing merger to a final conclusion for the benefit of our members cannot be overestimated," the convention stated. Formal talks between the unions, which broke off in April 1981 after more than three years, were resumed this spring.

A message to the convention from Guild President Charles A. Perlik, Jr., said he was confident that merger is "firmly within our reach."

Delegates also heard Communications Workers' President Glenn E. Watts suggest that after the unions in the publishing industry unite—the Graphic Arts and the Printing & Graphic Communications unions also are holding merger talks—all the unions in the communications industry at-large do likewise. That would include the CWA, the Broadcast Engineers & Technicians and the Telegraph Workers.

THE CONVENTION also voted the ITU's thanks to its "many friends in Congress" who overrode President Reagan's veto of a four-year extension of the manufacturing clause in the U.S. copyright law.

The delegates said they were "appalled" by Reagan's veto "at a time of record high unemployment." The Labor Dept. estimated that failure to extend the provision, first enacted in 1891, could have cost as many as 172,000 jobs in the printing industry and up to 367,000 in related enterprises.

Convention resolutions attacked the Reagan administration's economic and labor policies in general and urged U.S. members and locals to "participate to a greater degree than ever before in this year's elections on behalf of candidates endorsed by labor" and to defeat candidates who have supported the Administration's economic and labor policies and programs.

THE UNION'S "vehement objection" to the Administration's "repeated threats" to balance the budget at the expense of the social security system also was voiced, and the delegates urged that social security be funded "by general revenues" as well as contributions from employers and employees. Delegates also:

- Called on all locals and members in the United States to participate in the new campaign for adoption of the Equal Rights Amendment to the Constitution.
- Protested CBS-TV's cancellation of the Lou Grant Show, which the convention said "brought to millions . . . a rational perspective of union workers in the newspaper industry."
- Condemned the effort in the Senate to amend the Hobbs Act to make it a federal crime for a striker to be involved in a picket-line altercation.

Merger Proposal By Yardmasters Loses by 2 Votes

Chicago—The 90 delegates to the Railroad Yardmasters convention rejected merger with the unaffiliated Locomotive Engineers by a two-vote margin.

The merger had been under discussion for two years and had been approved by the Yardmasters' executive board. It had also been supported by a poll of the membership. The difficulty of financing a national organization for about 3,500 members and a further shrinkage of membership projected for the future had led the union to propose a merger with the Engineers.

ALONG WITH the vote to reject merger, delegates took action to raise dues and to cut expenses.

Dues were increased from $28.25 to $38.50 per month, effective Jan. 1, 1983. Out of the increase, and reduction of the dues portion set aside to finance the convention and meetings of the general chairmen, the grand lodge will get $6 more per month and local lodges will receive $6.50 more per month.

To reduce expenses, delegates voted to eliminate the union's monthly Journal and substitute a newsletter to top officers when possible. Also approved was a change in bylaws to require only one meeting of general chairmen instead of the two in the four years between conventions.

A. T. OTTO, JR. was re-elected president and chairman of the executive board without opposition. R. J. Culver was also elected without opposition as secretary-treasurer and secretary of the board. Other members of the board include Vice Presidents N. A. Erdody, J. C. Thomas, R. C. Arthur, D. R. Carver, R. R. Klinker, James L. Roy and A. J. Crosthait. Roy and Crosthait are new members. The board will be reduced by two members by not filling the next two vacancies that occur.

Delegates selected Denver as the site for the 1986 convention.

UNION WOMEN attending the first Western Regional Summer Institute for trade union women put theory into practice when they joined the picket line in support of striking cannery workers in Eugene, Ore., site of the conference. The six-day institute was one of four in 1982 sponsored by the University & College Labor Education Association and the AFL-CIO Dept. of Education. Local 670 of the unaffiliated Teamsters won a new agreement shortly after the picket line demonstration.

'Runaway' Work Key Issue In Film Cartoonists' Strike

Hollywood, Calif.—The creators of animated feature movies and the Saturday morning television cartoons have walked away from their drawing boards in a strike to preserve key job security terms in their contract.

The 1,600 members of Motion Picture Screen Cartoonists Local 839 struck the major cartoon studios Aug. 5 after the studios mounted an effort to dump the "runaway" clauses from their contracts with the union.

THE PROVISION, negotiated in 1979 after a two-week walkout, requires the studios to guarantee full employment in their own shops before contracting out work to low-wage employers either in the area or overseas.

The five major studios struck by Local 839 of the Theatrical Stage Employees include Hanna-Barbera, Disney, Marvel Productions, Filmation Studios and Warner Brothers Cartoons.

The strike decision followed a rejection of a "final offer" from Hanna-Barbera. In a letter to the local's members, the negotiating committee pointed out that the offer would have allowed the studio to lay off as many as 75 percent of its employees in favor of outside contractors and would have given the company the right to pick and choose among contracts with the other studios if it preferred various clauses in those agreements to those in its own pact with the union.

Also at issue are wages, with the union seeking additional increases for some workers over those negotiated in the basic industry package.

THE UNION pointed out that three-fourths of its members work in television cartooning, which is becoming increasingly seasonal. Some television cartoonists work only about six months of the year, and because studio schedules are similar, there is little opportunity for other work.

Local 839 is organizing picketing and support rallies on a daily basis at the major studies, including a rally at Group W Cable Television in Santa Monica where 26 technicians have been on strike since July.

Least-Educated Workers Bear Brunt of Job Losses

The number of workers with college degrees is going up and unemployment is hitting hardest at those with the least education, a Labor Dept. survey shows.

A study by the Bureau of Labor Statistics found that since 1970 the proportion of workers 25 to 64 years old who have college degrees has risen to about one-fourth of the total workforce. The number of workers without high school diplomas is about one-fifth.

The postwar baby boom generation, the BLS said, accounts for one-third of the 25-64 labor force, and nearly half of those workers have completed at least one year of college compared to about 30 percent among workers 55 to 64.

The study also found the largest increase in joblessness between March 1981 and March 1982 occurred among workers with a high school education or less, or about 75 percent of the total increase in unemployment.

In a related study, the BLS said the number of families in which both husband and wife work remained steady in 1981-1982 compared to a year earlier. The department attributed this pause after nearly a decade of climbing to the limited number of jobs now available.

The BLS pointed out that median income for families with two wage earners is about 40 percent higher than for families in which only the husband is employed and about three times higher than for those families maintained by only a female wage-earner.

IUE Wins Vote at General Electric Cleveland Plant

Cleveland—Over 700 workers at a General Electric lamp-making plant here have voted for representation by the Electrical, Radio & Machine Workers, turning out an unaffiliated union which had held bargaining rights since 1979.

Employees at GE's Euclid plant voted 369 to 224 for IUE over the National Production Workers with 54 votes for no union. The IUE began organizing at the facility earlier in 1982 when workers from the plant contacted the AFL-CIO affiliate that already represents about 70,000 GE workers nationally.

IUE President David J. Fitzmaurice and Sec.-Treas. William H. Bywater attributed the victory to a "superior effort" by the union's organizing staff. The unit has been chartered as IUE Local 715.

The Euclid workers had been represented by the unaffiliated United Electrical Workers and by the International Brotherhood of Electrical Workers before they chose representation by the NPW in 1979. The IBEW agreed to relinquish representation claims to IUE for one election.

Earlier this year, the IUE posted victories in six elections involving about 1,000 workers. These companies include Certech, Inc., Westwood, N.J.; Vicon, Pittsfield, Mass.; Hefco, Inc., Eatontown, N.J.; Hall & Son, Philadelphia, and Pepsi Cola, St. Mary's, Pa.

BACHELOR OF ARTS degrees in labor studies are conferred on the four newest graduates of the college degree program offered by the George Meany Center for Labor Studies in cooperation with Antioch University of Ohio. At the commencement ceremonies at the center's Silver Spring, Md., campus are from left, Fred K. Hoehler, Jr., the center's director; Prof. Wilbur J. Cohen, University of Texas, commencement speaker; graduates Joann Barber, Postal Workers; Carl Dimengo, Rubber Workers; James Hull, International Brotherhood of Electrical Workers, and John C. Kleywegt, Communications Workers, with Antioch Acting Registrar Michael Anderson.

Meany Center Lists Courses For 1982-83

The George Meany Center for Labor Studies has published its 1982-83 catalogue offering 52 institutes, workshops and programs for union leaders.

Programs at the Meany Center—most of them running for one week—are open to full-time officers and staff of all AFL-CIO affiliates.

ALL BUT seven of this year's programs will be presented at the center's 47-acre campus in Silver Spring, Md. Six will be held at state universities in California, Oregon and Illinois. A seminar for secretary-treasurers will meet at Williamsburg, Va.

In addition, AFL-CIO affiliates have scheduled 48 staff training programs, many co-sponsored by the Meany Center.

In a foreword to the new catalogue, AFL-CIO President Lane Kirkland, who is chairman of the center's board of trustees, acknowledges the serious challenges union leaders face this year and points out: "Sometimes it helps to take a week to review and refresh our knowledge of a subject, sharpen our insight and find out how others are coping."

THE CENTER'S offerings this year include seven institutes on organizing, six on arbitration, five on collective bargaining, two on labor law, five on development of leadership skills, and seven on the application of computers to union needs.

Other special institutes and workshops will cover audio-visual techniques, civil rights, the economy, education techniques, how to deal with the news media, newswriting and editing for union publications, occupational health and safety, stress as a union issue, unions in the year 2000, the quality of work life, technological change, union skills for union women, and international affairs.

NO TUITION is charged for center-sponsored courses. The charge for room and board at the Silver Spring campus is $60 a day.

Copies of the 1982-83 catalogue are available on request to Fred K. Hoehler, director, George Meany Center for Labor Studies, 10000 New Hampshire Ave., Silver Spring, Md. 20903.

Television, Radio Artists Set Goals for National Contracts

Portland, Ore. — Bargaining goals for radio, television and recording contracts and the need for stepped-up organizing were the key issues addressed by delegates to the 45th annual convention of the Television & Radio Artists here.

In his address to the 300 delegates representing the union's 40 local organizations, AFTRA President Bill Hillman said, "We are facing new and different challenges of a kind we have never faced before, but the important thing is that . . . for all the divisions that may exist between us, we . . . present a united front to those who would defeat us."

HILLMAN WAS re-elected by acclamation to his fourth term and New York's Jackson Beck was re-elected first vice president of the 55,000-member union, also by acclamation.

In a hard hitting invocation to "persist in the spirit and tradition of those who carried the fight" when the union was formed in 1938, Executive Sec. Sanford Wolff told the delegates that "we will prove to our enemies and our friends" in the coming days that "there is no place to hide from AFTRA. . . ."

Despite a verdict against the union in an antitrust suit brought by Tuesday Productions, which AFTRA is appealing, Wolff said AFTRA's case will ultimately be proven to be legally correct.

"There should be no doubt in anyone's mind that this union will survive; that the union will be strengthened and not weakened; that the resolve of the staff and members will be nourished by the litigation and not starved. . . .

"WE WILL protect the gains we have made. We will get our contracts signed. Employers will respect their agreements.

"But to achieve those ends and the protection afforded we have only one way to go—return to that old time religion . . . organize and organize and organize.

"There will be no easy way to get members in the anti-union areas of the country. There will be no granting of benefits or signing of agreements by employers without old-fashioned organizing and hard bargaining."

AFTRA will appeal a jury decision in U.S. District Court for Southern California that awarded nearly $9.4 million in damages to Tuesday Productions on the grounds that certain provisions in AFTRA's 1975 and 1979 contracts, which have been changed in subsequent agreements, violated anti-trust laws.

THE NON-UNION company contended that AFTRA's actions, including putting Tuesday Productions on its "unfair" list, constituted an unreasonable boycott or restraint of trade because other employers under AFTRA contracts were influenced not to do business with Tuesday.

In addition to Hillman and Beck, other national officers elected by the convention are Second Vice President Joe Slattery, Chicago; Vice Presidents Mike James, Seattle; Bill Steinbach, Pittsburgh; Shelby Scott, Boston; Peter Hackes, Washington; Brad Phillips, New York; Frank Maxwell, Los Angeles; Stan Farber, Los Angeles; Treas. Elizabeth Morgan, New York and Recording Sec. Peter Cleaveland, San Francisco.

The union's Equal Employment Opportunities Committee, in a preliminary report on a survey it is conducting, said the findings show that more than 95 percent of all principal contract performers on daytime series are white. The same preliminary tabulation indicates that in daytime series, 97 percent of all performances calling for the services of principal players were performed by whites.

ONE OF the mandates of the convention was to carry the study to completion and impress upon the industry the urgency with which the union views the issue.

The convention approved proposals on wages and working conditions for two major national contracts soon to be negotiated—the network radio and television codes, which expire Nov. 15, and the phonograph recording code expiring next Mar. 31.

While the major portion of the delegates' time was spent hammering out these proposals, the convention also asked:

- Continued support of the Equal Rights Amendment to the Constitution.
- Creation of a committee to investigate home testing evaluations of performers, the impact of pressure groups on programming, cancellation of programs whose scripts or cast members address political and social issues.
- A strong expression of concern over the First Amendment implications of the cancellation of the "Lou Grant" series.

Mortimer Becker, AFTRA's general counsel since 1957, was the recipient of the George Heller Memorial Gold Card, the union's highest honor, awarded annually for "distinguished service to AFTRA and its members."

Roy Wellborn Dies at 74, Headed Grain Millers

Oklahoma City—Services were held here Aug. 17 for Roy O. Wellborn, president-emeritus of the Grain Millers, who died Aug. 14 in Edina, Minn., at 74.

In a telegram to his widow, AFL-CIO President Lane Kirkland and Sec.-Treas. Thomas R. Donahue described Wellborn as "a good man, a good friend, and an inspiring trade union leader."

Wellborn, who had been ill the past two and a half years, joined the Grain Millers as a worker at General Mills here in 1937. He was president of the union's local before becoming vice president of its southwestern district in 1946. After serving as executive vice president, he acceded to the presidency in 1960, holding the post until leaving in 1979.

Besides his wife, he leaves two daughters, two sons, and several grandchildren.

Bipartisan Vote Puts Tax Bill Through House

(Continued from Page 1)

architect of the Administration's "supply side" economic theory, Rep. Jack Kemp (R-N.Y.), was a leader of House Republicans planning to vote against the measure.

With their normal supporters in disarray, the White House had to turn to congressional Democrats.

The Democrat whip in the House, Rep. Thomas S. Foley (Wash.), set the tone when he was given network time for his party's official response to the President's speech.

Foley, speaking for the House Democratic leadership, said that in this case the President was right and he would vote for the bill as a necessary measure.

While the spotlight was on the tax bill controversy, Congress was following through on budget-dictated spending cuts in an array of federal programs.

One of the cuts adopted sliced in half the cost-of-living adjustments for civilian and military retirees under the age of 62 and delayed the COLA a month for all government retirees.

Shortage of NLRB Judges Drags Out Case Processing

A shortage of administrative law judges has produced a 300-percent increase in the time it takes to process unfair labor practice complaints before the National Labor Relations Board, the General Accounting Office reported.

GAO told the House subcommittee on Labor-Management Relations that 90 percent of all unfair labor practice cases filed with the NLRB are resolved informally within 40 days.

However, in those cases where formal complaints are issued, the median time between the issuance of the complaint and the conclusion of a final hearing by an administrative law judge has risen to 155 days in fiscal year 1980, compared with only 48 days in fiscal year 1974, GAO reported.

DURING THIS same period, the median time between the close of an administrative law judge's hearing and issuance of a final decision also climbed sharply, from 69 to 158 days. The median time required to process an unfair labor practice case from beginning to end was 484 days in 1980, compared to 327 days in 1974, GAO said.

NLRB officials interviewed by GAO attributed the increased processing time primarily to a shortage of administrative law judges which began during the mid-1970s when a government-wide ceiling on their number was imposed.

While the number of unfair labor practice cases scheduled for hearings between fiscal years 1974 and 1981 rose by about 85 percent, the average number of administrative law judges increased by only 20 percent to its current authorized level of 125 positions. As of last April, GAO said, only 112 of the authorized positions were filled.

GAO reported that the overall number of unfair labor practice charges filed with the NLRB rose by about 49 percent between fiscal years 1974 and 1979. NLRB officials attributed some of the caseload growth to increased public awareness of the agency.

Union representatives contacted by GAO took a different view, attributing the caseload increase during this period to an "anti-union climate" in the country.

Modern Management Comes to Washington

By the Administration's estimate, the 10 percent income tax cut that took effect July 1 should have pumped $33 billion into the economy the first month.

When the figures came out $8 billion short, the Commerce Dept. finally figured out the reason. It turns out that someone forgot to adjust withholding brackets, and taxpayers will have to wait for refunds next spring to get the difference.

Reagan's Choice

A LOT OF NONSENSE has been written about President Reagan's embrace of multibillion dollar tax increases, so perhaps a few facts are in order.

First, the admitted need for such a large revenue-raiser stems directly from the failure of the Administration's economic program.

Supply-side economics, typified by the enormously wasteful giveaways of last year's tax cuts, further enriched the wealthy but left the nation worse off. Unemployment rose while profitable corporations used tax windfalls to buy up other companies and shielded earnings from taxation by buying up tax credits.

The tax bill the President now praises was forced on him by a Congress unwilling to tolerate the huge deficits resulting from last year's excess and aware that there was a limit to the "savings" that could be achieved by further butchering government programs.

Now, there were and are better and more equitable ways of raising revenues, including the $700 ceiling on individual tax cuts that the AFL-CIO advocated and Senate Democrats supported. The higher consumer taxes included in the bill fall equally but inequitably on rich and poor alike.

NEVERTHELESS, there are in the legislation genuine reforms that mop up some of the drippings from past tax giveaways. And it is to the President's credit that he has defended these reforms—even to the point of angering the tunnel-vision ideologues who have been his staunchest supporters. He asked for, and got, the Democratic votes to make up for the GOP desertions.

It would be premature, however, to read too much into this one touch of presidential realism.

President Reagan can choose to leap back into the ideological fold where he for so long berated the government he heads. Or he can take a fresh look at the wreckage of a failed economic program, at the lengthened unemployment lines, the closed factories, the sharp growth in poverty. There's an old saying that "if it ain't broke, don't fix it." But the converse is equally true. This Administration's economic program isn't working. And it needs fixing—badly.

Solidarity Lives

WITH COURAGE, the people of Poland have told the world that Solidarity lives, that the free trade union movement has not been extinguished by the imprisonment of its leaders.

Tear gas and water cannon break up the daily demonstrations. But the people are back the next day, in ever greater numbers.

It is not just in the city squares that Poland's voice is heard. At one of the nation's holiest religious shrines, Archbishop Josef Glemp, the primate of Poland, spoke at a vast outdoor mass to 120,000 pilgrims.

The right to organize, he declared, is a "natural right" of all people, "nor can anyone deprive us of that right."

One does not usually applaud a sermon, but this vast audience did so.

We add our own applause.

AFL-CIO News

Official Weekly Publication of the American Federation of Labor and Congress of Industrial Organizations

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'Don't Just Stew About It!'

Washington Window

Flat-Rate Tax Another Scheme To Help the Rich Grow Richer

By Press Associates, Inc.

PROPOSALS FOR a "flat-rate" tax on gross income to replace the basically "progressive" income tax system recently have moved into the foreground of public debate.

The flat-rate idea is often touted as a bold new way to simplify and "reform" a tax code laden with loopholes for special interests and the rich.

However, recent studies by tax experts conclude that the primary effect of a flat-rate tax would be to further shift the tax burden from high-income to middle- and low-income Americans.

THE FLAT-RATE idea really isn't new. It has long been espoused by conservative critics of the progressive income tax, which is based on the concept of ability to pay—those with higher incomes contributing greater shares of their income in taxes.

By contrast, flat-rate tax schemes would apply a single percentage rate—proposals range from 10 to 20 percent—regardless of income level or ability to pay.

The plan's strongest advocates include such well-financed groups as the Coalition for a Flat-Rate Tax and the National Conservation Political Action Committee.

But it also has been picking up support among some congressional moderates and liberals. Delegates to the Democratic Party's summer conference in Philadelphia said it merited consideration because "common sense dictates that this convoluted (income tax) system be dramatically simplified."

President Reagan and top Administration officials have been moving rapidly toward outright support of a flat-rate tax.

IT'S EASY to see why the idea may appeal to many taxpayers at first glance.

Its proponents correctly argue that the tax code is too complicated and has too many loopholes. Why not scrap the whole array of tax deductions, credits and exclusions and set a single low rate for everyone, they ask.

But one must remember that tax preferences benefit not only the wealthy but most middle- and low-income taxpayers. They include deductions for home mortage interest, for state and local taxes, for union dues, for medical bills, for consumer installment interest, for charitable and church donations, and for alimony and educational expenses.

Most flat-rate proposals would tax social security and other entitlement benefits in addition to such employer fringe benefits as health and life insurance and pension contributions.

A recent analysis by Congress's Joint Committee on Taxation shows that while high-income taxpayers would lose such lucrative tax breaks as the 60-percent exclusion of capital gains, they still would pay much less in taxes under flat-rate proposals. The lost revenue would be made up in higher taxes for low- and middle-income taxpayers.

THE COMMITTEE'S report said that under a 15.2-percent flat rate, families with incomes between $20,000 and $30,000 would pay about 13 percent more in taxes, or an additional $351 annually.

Those having incomes between $15,000 and $20,000 would pay 19 percent more, or an added $309. Those in the $10,000 to $15,000 income range would pay an additional 25 percent, or $244, more in taxes.

By comparison, high income taxpayers would reap big gains even with their capital gains fully taxed under a 15.2-percent flat rate and with all itemized deductions prohibited.

Those with incomes between $50,000 and $100,000 would pay about 15 percent, or $1,684, less in taxes. Those with incomes in the $100,000 to $200,000 range would pay 33 percent less, a yearly $9,822 windfall. And so on.

Thus one can see that a flat-rate tax is far less equitable than the present system, with all its faults.

Congressional committees plan to hold hearings on flat-rate proposals later this year. But Senate Finance Committee Chairman Russell B. Long (D-La.) has already formed an opinion, 'If you're rich, you'll love it. If you're not rich, look out!"

If Congress is genuinely interested in restoring equity to the tax system while reducing deficits, it could begin by rescinding the Reagan tax giveaways and then move to close the traditional tax loopholes for the rich.

MEMO FROM COPE

The 'Unconnected President'—After 19 Months, He Claims His Programs Not Related to Events

Ronald Reagan has completed 19 months of his unconnected presidency—unconnected because he claims he and his programs have no connection to so much of what has happened in that period.

He *does* claim connection to huge tax cuts and enormous budget cuts, but he disclaims any connection to their consequences.

Therefore, he is *not* connected to the highest budget deficits in the nation's history.

He is *not* connected to the highest unemployment rates in more than 40 years.

He is *not* connected to the human suffering his cuts in needed social programs have created.

These and other sour notes on the current scene are the result of "40 years of fiscal irresponsibility," as the President describes the four decades that preceded his presidency (16 of which were under GOP Presidents).

Let's take him at his word. His programs have no connection with events. Following are some of the events of the first 19 months of his presidency with which he had no connection:

- *Budget deficits*—Deficits in final Carter budgets: $59.6 billion in Fiscal 1980, $57.9 billion in Fiscal 1981. Projected deficits under Reagan: Depending on whose you accept, four-year cumulative deficits ranging from $430 billion to $743 billion. Best-case projections of over $100 billion for Fiscal 1982, $115 billion for Fiscal 1983. Most projections far higher, for example $140 billion in Fiscal 1983.
- *Unemployment rate*—7.4 percent January 1981; 9.8 percent July 1982 (highest since 1941).
- *Number jobless*—8 million January 1981; 10.8 million July 1982, an increase of 35 percent (highest number of persons unemployed since 1934).
- *Adult male jobless rate*—6.1 percent January 1981; 8.8 percent July 1982 (highest since 1930s).
- *Black jobless rate*—14.3 percent January 1981; 18.5 percent July 1982 (highest since 1930s).
- *Hispanic jobless rate*—10.8 percent January 1981; 13.9 percent July 1982 (highest since 1930s).
- *Teen-age jobless rate*—18.9 percent January 1981; 24.1 percent July 1982 (highest since 1930s).
- *Business failures*—17,044 in 1981; up from 11,742 in 1980 (45 percent increase). First six months of 1982, 11,950 business failures—annual rate 23,900, by far the highest since 1932.
- *Families in poverty*—6.3 million families living below poverty level in 1980; 6.9 million families in 1981 representing 31.8 million individuals, highest number since 1965.
- *Home foreclosures*—From January 1981 to July 1982, foreclosure rate rose by nearly 25 percent; number of foreclosures running at 400,000 annual level.

In addition to all the above, millions of needy have lost or suffered reduced food stamp coverage and Medicaid protections; hundreds of thousands of school children have lost or taken reduced nutrition assistance; thousands of farmers have been forced from their land.

But none of this has any connection to the unconnected President.

... And the 'Prisoner President'—Paranoid Right Sees Reagan Captive Of Bush Mole; Issues 48-Page Blast

Ronald Reagan is imprisoned in the White House.

His jailer is James Baker, whose "cover" is as Reagan's Chief of Staff. In reality, Baker is a deep mole planted in the White House by the George Bush faction of the GOP, the "liberals." Baker was Bush's campaign manager in the latter's try for the presidency in 1980.

It was Bush, remember, who called Reagan's program "voodoo economics" when they were both campaigning for the GOP nomination. Bush only pretended to change his mind when he joined Reagan's ticket as vice presidential nominee.

He insinuated Baker into the White House to keep Reagan from being Reagan. What comes out of Reagan really are the words and proposals of ventriloquist Baker.

Does all this sound paranoid? It is. Yet, it's the picture that emerges of the Reagan presidency from the July issue of *Conservative Digest,* publication of "new right" El Maximo Richard Viguerie.

The entire 48-page magazine deals with the theme expressed on its cover, "Has Reagan Deserted the Conservatives?" A President who has embraced and promoted almost their entire program is lambasted by the right-wingers in a manner they had previously reserved for "liberals."

The magazine lists 40 (count 'em . . . 40) specific complaints, gives him the "words vs. actions" treatment on a dozen right-wing issues where they feel he's betrayed them. Whereas he's done almost everything to accommodate them, they make it appear he's done almost nothing.

All this comes just two years after the "new right" hailed the Reagan candidacy, worked hard to elect him and licked their chops over the prospects of his presidency.

Now they complain, among other things, Reagan "has failed to identify the opponent as the Liberal Establishment" (which never took 48 pages at one time to clout the President).

The publication says, "Disenchantment with the Reagan presidency is now real and widespread. It is felt by conservatives of every stripe. . . ."

Which raises the question: What are these birds up to? Maybe they're not that devious, but could it be they're preparing an "out?" They are positioning themselves to tell all the true believers they turned on to politics that our brand of conservatism (an extreme brand) has not failed because Ronald Reagan has not been a truly conservative President in our mold.

He didn't follow our blueprint. He's been Jim Baker's captive, and Jim Baker represents the wrong wing of the GOP.

Next time we'll make sure we run a guy for President who's a true conservative and nobody's captive but ours.

Jesse Helms for President in '84.

Mischief in Balanced Budget Proposal—Ripping Up Social Programs by Mandate

It's time for some do-it-yourself budget balancing. See how you make out.

The chart below right lists the major elements of the Fiscal 1983 federal budget (actual figures—small-amount categories omitted).

To understand the mischief potential of the Reagan-backed balanced-budget constitutional amendment, try to apply its requirements to the actual budget below. Remember, the proposed amendment will allow for no deficits. The Fiscal 1983 budget is already $115 billion to $140 billion in the red, depending on whose projections you accept.

Take the low figure, and try to whack $115 billion out of the budget so it will balance. What items are you going to cut, and how much? From the start, it's clear you can't nickel and dime your way to a balanced budget.

There are four really big-money categories—Defense, Income Security, Interest (on the national debt), Health. Since they're where the big money is, they're where you've got to look for most of that $115 billion the amendment mandates you cut.

What about Interest? You can't touch it. It's money owed and it's got to be paid. Defense? Maybe you can whittle out a few billion, but you won't find much support among your congressional colleagues for more.

It comes down to Income Security and Health, the two categories where you'll have to achieve the bulk of your savings. And the minute you start hacking away at them, you're hacking away at programs for workers, the elderly and the needy—which have already taken a pasting from this Administration.

If you're going to slash Health, you're going to slash Medicare and Medicaid and other health care and protection services that needy and elderly Americans rely on (also you're going to cut OSHA).

If you're going to slash Income Security, you'll have to put the ax to the federal portion of unemployment compensation. You'll have to extract further sacrifices from families on food stamps and from the needy on other nutrition aid programs. You'll have to cut federal employees' retirement and disability programs.

Still, if you're going to get really big money out of Income Security, you've got to go to the $175.5 billion portion of it that covers its largest program, Social Security.

So, suddenly, the balanced budget amendment sneaks through by mandate those cuts in Social Security the administration and its right-wing point men in Congress had in mind all along. That $40 billion cut they were talking about a few months ago? It'll be just for starters.

The balanced budget amendment, if it ever takes its place in the Constitution, is a clever way to rip up the social programs that protect workers, the elderly and the needy—a goal ultra-conservatives have had for years. It would enable them to say "we didn't *want* to do it, folks; we *had* to do it. The Constitution *forced* us to."

1983 Budget—Major Cost Categories

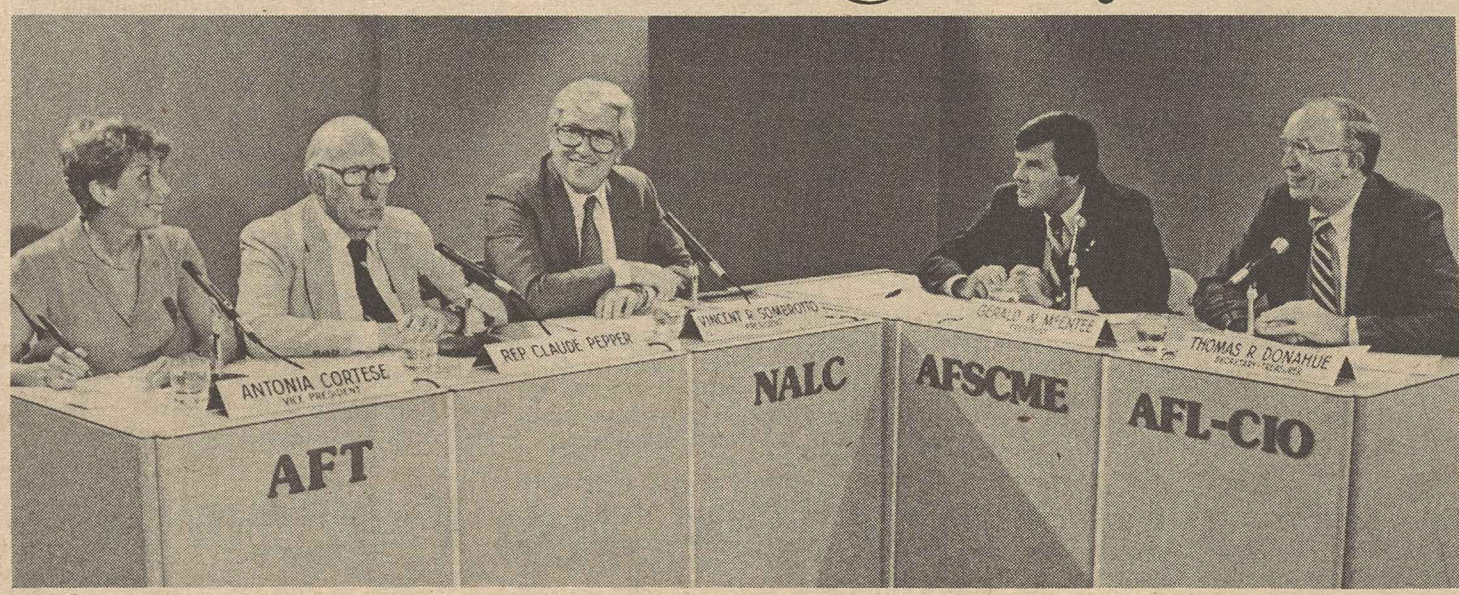
Program	Budget Level (in billions of $)
National Defense	$214.0
International Affairs	11.5
Science, Space, Technology	7.6
Energy	4.5
Resources, Environment	10.95
Agriculture	9.0
Transportation	19.9
Community, Regional Development	7.7
Education, Training, Employment and Social Services	26.2
Health	77.8
Income Security	270.9
Veterans' Benefits, Services	23.8
Administration of Justice	4.65
General Government	4.65
Interest	113.2

AFL-CIO News

LEGISLATIVE ALERT! PAGE 16

Vol. XXVII — Saturday, August 28, 1982 — No. 34

Union-Busting Payments Killed



LABOR'S CASE against the proposed balanced budget constitutional amendment was beamed to union leadership gatherings in 14 key cities in this satellite telecast during the congressional recess. Taking part from the Washington end were, from left: Vice President Antonia Cortese of the Teachers, Rep. Claude Pepper (D-Fla.), President Vincent R. Sombrotto of the Letter Carriers, President Gerald W. McEntee of the State, County & Municipal Employees, and AFL-CIO Sec.-Treas. Thomas R. Donahue. The program was produced at the AFSCME television studio.

HHS Policy Overturned By Congress

Congress overruled the Reagan Administration and barred hospitals and nursing homes from charging the cost of hiring union-busting consultants to the Medicare program.

The policy reversal, urged by the AFL-CIO and unions in the health care field, was accomplished by a three-paragraph item in the 400-page tax bill Congress passed before starting a two-week recess.

UNDER THE heading, "Prohibiting Payment for Anti-Unionization Activities," the provision specified that the "reasonable costs" that health care institutions may charge to Medicare may not include expenses "incurred for activities directly related to influencing employees respecting unionization."

That's the policy that had been set by the Dept. of Health & Human Services in the Carter Administration after congressional hearings spotlighted the increased use of management consultants to thwart union organizing efforts or to bring about the decertification of an already established union.

LAST MARCH, the department scrapped the regulation instead of defending it against a court challenge brought by the American Hospital Association.

The new Reagan Administration policy specified that reimbursement would be allowed for any consultant services that did not actually violate the National Labor Relations Act. The department further agreed to make the change retroactive so that hospitals could recoup expenses for past anti-union activities.

The labor movement protested vigorously.

AFL-CIO President Lane Kirkland termed the policy changeover "outrageous" and scored the Administration claim that allowing reimbursement for management consultants in campaigns against unions

(Continued on Page 14)

Community Role Sought to Close Health Care Gap

The AFL-CIO will work at the community level to see that unemployed workers and their families aren't cut off from essential health services, and at the national level "to vigorously oppose any further cutbacks" in health benefits for the needy, the disabled or the aged.

President Lane Kirkland said the AFL-CIO and other national organizations brought together earlier this year by former Labor Sec. John T. Dunlop will encourage community-level cooperation in meeting the needs of households deprived of health benefits because of unemployment or government cutbacks.

TAKING PART in the cooperative endeavor are, in addition to the AFL-CIO, the American Medical Association, the American Hospital Association, Blue Cross and Blue Shield Associations, the Health Insurance Association of America and the Business Roundtable.

Kirkland cited Labor Dept. statistics indicating that nearly half of all workers covered by job-related health insurance lose their entitlements within one month of layoff. Only 20 percent have continued coverage for three or more months.

"This intolerable situation would not

(Continued on Page 4)

Stop-Amendment Fight Shifts to Home Districts

By David L. Perlman

A 14-state AFL-CIO television conference signalled the shifting of labor's campaign against the balanced budget constitutional amendment proposal from the halls of Congress to the home districts of House members whose votes will be crucial.

"The battle can be won or lost" before Congress returns from its recess on Sept. 8, AFL-CIO Sec.-Treas. Thomas R. Donahue stressed.

DONAHUE AND other national leaders in the campaign used the labor news network of the State, County & Municipal Employees for the closed circuit telecast that was beamed by satellite to the targeted locations across the country.

AFSCME President Gerald W. McEntee, who is chairman of an AFL-CIO Executive Council committee coordinating labor's campaign against the amendment, moderated the program and joined other participants in replying to questions phoned in from the local and state union leaders at the 14 locations.

Capacity gatherings, limited only by the size of the facilities equipped to receive the telecasts, were held in San Jose, Calif.; Denver, Colo.; New Britain, Conn.; Fort Lauderdale, Fla.; Atlanta, Ga.; Indianapolis, Ind.; Des Moines, Ia.; Boston, Mass.; Newark, N.J.; Rochester, N.Y.; Pittsburgh, Pa.; St. Louis, Mo.; Milwaukee, Wis., and Spokane, Wash.

LETTER CARRIERS' President Vincent R. Sombrotto, American Federation of Teachers Vice President Antonia Cortese and Rep. Claude Pepper (D-Fla.) were the other participants from the Washington studio.

All three pounded away at the thinness of the case made for writing a clearly un-

(Continued on Page 4)

From Radical Left to Radical Right

Lyndon LaRouche's Strange Cult

By Wesley McCune

Special to the AFL-CIO News

One of the strangest movements on the American scene the past few years has been repudiated by both those whom it would befriend and those it counts as enemies.

Now called the Democratic National Policy Committee, it is rejected by the Democratic National Committee, keeper of the Democratic Party's name and traditions. Until recently called the U.S. Labor Party, it is denounced by almost all of organized labor.

Still the strange movement rolls along, trying to infiltrate or harass all kinds of groups, working mysteriously to find a place of influence in the economic and political scene, driven mainly by the energy of its founder and leader, Lyndon H. LaRouche, a former Trotskyite who is now closer to radical-right fascism.

The movement—now usually referred to only by its leader's name—has borrowed from both left and right extremes. It uses fronts, deception, muscle, publications, authoritarian structure, international connections, hidden funds and party-line change to recruit the wary and the unwary alike. In addition, LaRouche uses modern computer technology, an intelligence network and single issues to run up-to-date campaigns.

First of three articles

Mostly, he confounds people in various circles, but he also works hard to gain respectability out in front of his shadowy empire. For instance, he ran for President of the United States in 1976 on the U.S. Labor Party ticket and in 1980 as a Democrat (against that party's wishes) and did better than the experts thought he would.

THE FIRST TIME, he was on the ballot in 26 states and drew 40,043 votes. Last time around, he ran in Democratic primaries in about 10 states, outpolling Republicans John Connally and Sen. Robert Dole in New Hampshire.

Until losing the primary, LaRouche qualified for $526,000 in federal campaign funds and took in a substantial amount of money from various other

(Continued on Page 2)

Wesley McCune, the author of this series, is director of Group Research, Inc., which keeps watch on extremist groups of both the left and right.

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Lyndon LaRouche's Strange Cult

(Continued from Page 1)

sources, finally spending four to five million dollars.

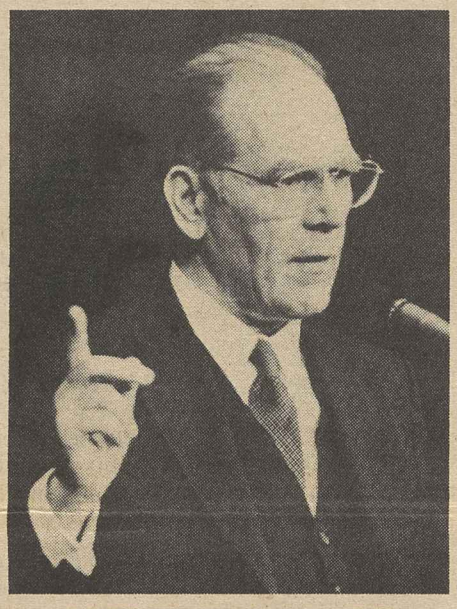
Campaigning chiefly in New Hampshire, he had offices in eight cities and spent lavishly by that state's standards on television and publications.

In other years before 1980, more than 250 LaRouche candidates ran locally or for Congress, some doing quite well.

BUT PARTY politics is only one of LaRouche's games. He is actively promoting nuclear development, fighting with some unions while trying to infiltrate others, attacking the "Rockefeller conspiracy," pushing the gold standard, selling unidentified magazines, peddling anti-Semitism, publishing a far-out newspaper and flailing out at establishments that offend his goal of domination.

Perhaps his boldest ambition was stated early as taking over the AFL-CIO and the American labor movement, along with radical leftist and "revolutionary" organizations, as steps toward taking power in the United States.

A long article about LaRouche in the Washington Post while he was in the



LYNDON H. LaROUCHE
Campaigning in New Hampshire

New Hampshire primary stated that two major questions about the movement baffle long-time observers: "How did he get from being a Marxist to a 'conservative Democrat' and where does their money come from?"

THIS WAS followed by a quotation from Prof. David DeLeon, a student of fringe groups: "There is no one as odd as LaRouche. There is no parallel. You can't talk about it rationally."

Who is Lyndon LaRouche?

We know a lot about him from the autobiography he published in his own newspaper, New Solidarity, for Aug. 17, 1974. At that time, he was using the name of "Lyn Marcus" as some sort of convenience, and his organization was called the National Caucus of Labor Committees, a name it used until it became better known as the U.S. Labor Party, its political arm.

LaROUCHE WAS born Sept. 8, 1922, in Rochester, N.H., in a Quaker home. Ten years later, his family moved to Lynn, Mass., where he claims he started having inner conflicts, described in third-person terms still typical of his language and/or thoughts:

"In 1932, his family moved to Lynn, Massachusetts. There, within a year or so, the intensifying inner conflict between his religious and rationalist commitments impelled him into philosophy, so that he had become a fanatical Kantian by sixteen—thus temporarily reconciling his own youthful pietist and rationalist commitments. His first quasi-political experience occurred shortly after that, as he violated his family's organic Republican traditions by joining the CIO shoeworkers' union in connection with a regular summertime job."

LaRouche says he then headed for Communist Party headquarters overseas, but broke with the International very soon and was "a sort of hardened Trotskyist," an allegiance he maintained for some years.

HE JOINED the Trotskyist Socialist Workers Party in 1949 and became involved in early ideological fights within the electrical workers while employed at General Electric. In the mid-Sixties he moved to New York City, became a consultant — whatever that means — and started doing personal research on what became the National Caucus of Labor Committees.

He says that Trotskyism was dying—and died—and that if a viable socialist movement was to exist it had to begin from scratch. The 1968 student strike and disorders at Columbia University gave him an opportunity to become active again by aligning himself with the Students for a Democratic Society (SDS). A split developed in that group with the Maoists going one way and LaRouche organizing the National Caucus of SDS Labor Committees. He soon dropped the SDS and had his own organization.

Both his NCLC, now apparently defunct, and his U.S. Labor Party are part of an international complex of front groups and publications which are reported to spend some $3 million a year and have 2,000 to 3,000 members in this country and perhaps 2,000 more outside the United States. Among his old domestic fronts have been the National Unemployed and Welfare Rights Organization and the Committee for Fair Elections.

His most important front now is the tax-exempt Fusion Energy Foundation which supports atomic energy development, mostly through a very attractive magazine, Fusion, which his disciples sell at airports and elsewhere. He is also behind an ideological magazine, The Campaigner, and another slick publication, Executive Intelligence Review, but his main outlet is still the newspaper, New Solidarity, a title protested by the Auto Workers with whom he has had a long fight and who have long used the title Solidarity for the union's official journal.

ABOUT four years ago, New Solidarity—then a tabloid—started what the Anti-Defamation League of B'nai B'rith has described as an "anti-Jewish, anti-Zionist, anti-Israel propaganda campaign" which took the form of inflammatory headlines and special features on various aspects of Judaism.

A little earlier, LaRouche's apparatus entered into a loose relationship with Liberty Lobby, the Washington-based, radical-right organization of Willis Carto, which is also regarded as anti-Semitic.

MORE RECENTLY, as the movement began attracting national attention and curiosity, the New York Times began digging into what makes it tick and reported that LaRouche has some kind of financial liaison with three companies in New York City. They are Computron Technologies Corporation, a programming business that includes Mobil Oil, Citibank, Bristol-Myers and AT&T among its clients; World Composition Services, an advanced computer typesetting complex that does work for the Ford Foundation and major publishers; and PMR Associates, a printing plant.

All three denied such links, but refused repeated requests for interviews. The headlines on the Times stories are revealing about the organization: "U.S. Labor Party: Cult Surrounded by Controversy" and "One Man Leads U.S. Labor Party on Its Erratic Path."

A small town boy has truly been discovered, but no one is yet certain what he is doing or where he is going.

(Part 2 next week)

The Real Sara Fritz Seeks Damages for Impersonation

Sara Fritz is the White House correspondent for U.S. News and World Report, a 2-million circulation weekly news magazine. She's a prize-winning journalist who covered labor news for many years. Her reputation and the magazine's prestige usually get her quick access to news sources.

It also got quick access for persons writing for Lyndon LaRouche publications who impersonated her and other U.S. News reporters, according to affidavits filed with a federal district court.

U.S. NEWS and Fritz are jointly asking $1.5 million in damages from New Solidarity Press Service, Inc., and Campaigner Publications, Inc., which they say publish the American Labor Beacon and Executive Intelligence Review. The corporations, which share a suite of offices in New York, are described in the court papers as "affiliated with the U.S. Labor Party."

On at least two occasions, information obtained by persons claiming to be Sara Fritz appeared in what was described as highly distorted fashion under another byline in LaRouche-linked publications.

The person who used her name for an interview that showed up in the American Labor Beacon had left a phone number, so Fritz called and asked to speak to "Sara Fritz of U.S. News & World Report."

SHE WAS promptly connected, the woman who answered acknowledged being "Sara Fritz" and asked who was calling. At hearing it was the real Sara Fritz, she abruptly hung up.

The telephone number was that of Campaigner Publishers.

Later, Fritz testified, she found that her name had been falsely used to get information from an official of the National Association of Home Builders for an article that appeared in the Executive Intelligence Bulletin.

ON ANOTHER occasion, court papers show, a man falsely identifying himself as a reporter for U.S. News obtained information from the staff of the Senate Ethics Committee that appeared in distorted fashion in Executive Intelligence Review.

In addition to compensatory and punitive damages, the suit filed Aug. 18 in the U.S. District Court for the District of Columbia asks an injunction to bar future misrepresentation by the two publishing firms and their employees.

Auto Firms Hit on Blind Fealty to Reaganomics

Detroit—Auto Workers President Douglas A. Fraser blasted the leaders of industry for continuing to support Ronald Reagan's failing economic programs.

In a speech at the Automotive News World Congress here, Fraser said that "despite the disaster that is Reaganomics, corporate America, and the captains of the auto industry specifically, continue to support the actions of the Administration and its allies in Congress."

HE SAID the auto industry generally "has been unwilling to transcend rigid ideology" to seek government action to aid the industry, its workers and the U.S. economy.

"Simple self-interest dictates a break with the current economic programs and an effort to change our disastrous course," Fraser said. He pointed to the deterioration in the economy, citing:

- The increase in unemployment from 7.2 percent a year ago to 9.8 percent, the highest level of unemployment in 41 years.
- The mounting number of auto workers on indefinite layoffs, which now exceeds 216,000 at the five major companies.
- Declining car sales projected at 5.8 million units for 1982, compared with 6.3 million sold last year in an already depressed market.
- The growing share of the U.S. market being captured by foreign car makers, 32 percent last month compared with 29.6 percent in July 1981.
- The rising number of business failures, with filings this year at the astounding rate of 2,000 per month, a 43 percent increase over last year.

In the first six months of this year, Fraser noted, 556 auto dealers "went belly-up," a 71-percent increase over the first half of 1981.

"ADMITTEDLY inflation is down," Fraser said, "but at what a terrible cost to our economy and the people of the United States.

"Just last week, GM announced more plant closings due to the sluggish economy and a dead auto market. Eleven thousand more workers are going to be indefinitely laid off. . . . If you set sail for Miami from New York and your captain turns north, do you have to hit an iceberg before you suspect something is amiss?"

The UAW president also addressed the long-term erosion of America's industrial base and placed much of the blame on unfair trade with the Japanese. He said the domestic auto content legislation now pending in Congress would go far to stem the export of U.S. jobs and industrial strength.

He acknowledged that in recent weeks, several studies have been released aimed at discrediting the content legislation. The three most prominent were prepared by the consulting firm of Harbridge House, the Commerce Dept., and the Congressional Budget Office (CBO).

He dismissed the Harbridge study's forecast of extremely higher prices if content legislation is enacted, pointing out that the study "was bought and paid for" by the American International Automobile Dealers Association, the foreign car importers, "hardly an objective source."

Fraser pointed out that the Commerce Dept. report amounted to a cursory three-page analysis and that the CBO study rejected the Commerce Dept. conclusions.

The most credible of the recent studies comes from the CBO, Fraser observed, but he said it makes several assumptions that are highly questionable.

"First, it assumes a dollar-for-dollar reduction in average U.S. exports for the drop in U.S. auto imports," he said. "That assumption of massive trade retaliation by the Japanese simply doesn't hold up."

He pointed out that 31 countries now have content laws for their auto industries, many of which are stiffer than those in the labor-backed legislation.

"YET," HE SAID, "none to our knowledge has ever been challenged under the General Agreement on Tariffs & Trade. In the meantime, Japan has continued to expand trade with nations that have content laws and other trade policies to protect domestic auto markets."

Fraser said that if the questionable assumption of trade retaliation is removed from its calculations, "even the conservative CBO study estimates an employment increase of 520,000 jobs if domestic content legislation is enacted."

After 7 Months

Pension Settlement Ends OCAW Texaco Strike

Port Arthur, Tex.—Some 4,000 members of Oil, Chemical & Atomic Workers Local 4-23 returned to their jobs at the Texaco Inc., refinery here, ending a seven-and-a-half month strike against the company.

The workers struck the firm Jan. 7 in a bitter dispute involving pensions. Under a new three-and-a-half year settlement ending the walkout, Texaco agreed to provide the union $3 million to distribute among some 650 workers who retired over the past six years.

OTHER KEY provisions of the settlement include an incentive separation plan and wage increases equal to the industry pattern agreed to by other major oil refiners last year.

OCAW members ratified the pact by a 2-to-1 majority. Similar agreements also were approved by 80 members of the International Brotherhood of Electrical Workers, a small unit of Machinists, and members of an unaffiliated union.

The pension issue—the focus of the strike—centered on the way in which the company unilaterally calculated benefits for workers who chose to retire with a lump-sum retirement option after 1976. The union charged that Texaco violated its previous bargaining agreement by increasing the percentage by which benefits were discounted when taken in a lump sum.

THE UNION took the company to court and won a decision against the discount policy. Texaco appealed the decision to the Fifth U.S. Circuit Appeals Court in New Orleans, where the case was pending. The new contract settles the dispute.

The $3-million payment will be distributed to workers who retired between February 1976, when the company started reducing the lump-sum payments, and January 1982, when the OCAW workers struck. Eligible workers could collect as much as $5,000 each. At the same time, the union agreed to lower lump-sum retirement payments in the future.

The new contract agreement contains wage terms similar to those approved by the nation's additional 50,000 refinery workers earlier in OCAW's 1982 round of oil bargaining. Wages would be increased by 9 percent as soon as the contracts are signed, and by 90 cents an hour 10 months later. Ten months after the second increase, the Port Arthur workers would receive an amount equal to the first-year increase under contracts negotiated last year by other OCAW local unions.

THE INCENTIVE separation plan, intended to reduce the Port Arthur work force by attrition, provides that any employee who chooses to leave the company within 45 days of the contract signing will receive a lump-sum payment of $4,000, plus one week's pay per year of service. The retirement incentive would be paid over a 24-month period.

Several productivity issues also were settled, and the company agreed not to expand its use of outside non-union craft workers.

Engineers Move To Expand Local Political Action

Seattle—Delegates to the 45th convention of the Professional & Technical Engineers stressed the importance of involvement in the political process to achieve the union's goals and directed all locals to establish political action and education committees.

The resolution calls for appointment or election of a chairperson to carry out the main activities of the local PAC—constituent lobbying of congressional representatives and state and local legislators.

THE 125 DELEGATES also approved a score of other resolutions during the weeklong meeting, which in effect constitute the union's program over the next two years. IFPTE's 20,000 members are divided approximately 55 percent in the public sector and 45 percent in private employment, and resolutions reflected the concerns of both groups.

The convention re-elected the union's two full-time officers—Rodney A. Bower to a sixth term as president and John H. Dunne to his eighth term as secretary-treasurer.

Four incumbent vice presidents were re-elected—Michael Waske, Leon Olsen, Vincent Cacchiotti, and Harold G. Revait. Dominick Critelli, former president of IFPTE Local 195, Totowa, N.J., was elected vice president of the union's Atlantic area to succeed Stephen D. Hage of East Brunswick, N.J., who did not seek re-election. Following the convention, the executive board re-elected Cacchiotti executive vice president.

AMONG RESOLUTIONS pertaining to the public sector, delegates called for legislation to create equity for federal workers now denied payment for legitimate travel expenses and forced to reside in substandard facilities under a statutory requirement that bachelor officers' quarters be used. Another resolution called for an IFPTE commission study of alternative health care plans for federal employees.

In addition, the convention approved resolutions favoring postcard voter registration, re-establishment of safety and health programs cut by the Reagan Administration, and patent law reform.

Speakers included Executive Director John Leyden of the AFL-CIO Public Employee Dept.; Earl D. McDavid, national representative of the AFL-CIO Union Label & Service Trades Dept.; President Marvin Williams of the Washington State AFL-CIO; William Dodds, organizing director for the National Council of Senior Citizens; Rep. Mike Lowry (D-Wash.), and Seattle Mayor Charles Royer.

'Somehow, I Don't Feel Any Better!'

OSHA Hit for New Delay On Cotton Dust Standard

Union job safety specialists accused OSHA of collaborating with employers on tactics to delay full implementation of the federal cotton dust standard.

The charges came in response to the Occupational Safety & Health Administration's proposal to give knitting mill employers another extension of a "temporary stay" from the 1978 regulation designed to help protect cotton industry workers from disabling brown lung disease. The stay has already been extended three times since Assistant Labor Sec. Thorne G. Auchter took over as OSHA administrator in 1981.

AUCHTER BASED his call for a further extension on the need to review findings of a study—sponsored and paid for by employer associations—which contends that exposure to cotton dust in the knitting industry does not pose a significant health risk to workers.

AFL-CIO Occupational Safety Director George H. R. Taylor charged that OSHA is using questionable employer-funded studies "in an attempt to substantiate its argument for further delays in implementing the standard."

Eric Frumin, safety and health director of the Clothing & Textile Workers, called Auchter's action unjustifiable.

"You shouldn't stay a law just because industry complains about it," Frumin declared.

INDUSTRY HAS opposed the cotton dust standard since its inception. Employer groups had sought to overturn the standard, but the Supreme Court ruled on the side of AFL-CIO unions in 1981 in upholding the essence of the standard.

ACTWU, whose members are directly affected by the stay, pointed out that the study behind the OSHA delay was commissioned by the National Knitwear Manufacturers Association and that the two University of North Carolina researchers who conducted the study were working under a grant from Cotton Inc., another employer group.

Frumin also noted that the study was administered by knitting mill officials, and data were based on company-supplied medical records.

OSHA SAID the study indicates that respiratory problems reported by workers in the knitting industry are about the same as those reported for other blue-collar workers in the Southeast who are not exposed to cotton dust.

"It's not too surprising to find this type of response," Frumin said. "Workers are often afraid to report symptoms to company personnel for fear of reprisals."

The only way to get accurate data is through independent studies where workers are assured complete confidentiality, he said.

According to ACTWU estimates, some 150,000 American workers suffer from occupationally contracted byssinosis, or brown lung disease, including 35,000 who are totally or permanently disabled.

OSHA is applying its weaker pre-1978 exposure limit for the knitting industry during the current stay of the standard. The federal job safety agency will accept comments on the stay extension until Sept. 13.

September Calendar Listed By Labor Studies Center

Institutes on organizing techniques and administrative methods will highlight activities at the George Meany Center for Labor Studies in September. Six AFL-CIO affiliates, three AFL-CIO departments and the American Institute for Free Labor Development (AIFLD) will use the campus for their own training programs. The schedule:

Organizing Techniques I, Sept. 12-17—A review of the essentials in a successful organizing campaign: Programming in-plant committees, developing winning issues, making house calls, and responding to employer attacks. National Labor Relations Board procedures are explained.

The Union Administrator and Business Agent, Sept. 12-17—A program for officers and other paid officials of locals where one or two people carry the full-time load to help plan work schedules, pinpoint problems, handle committees, train backup assistance and communicate with members.

Unions using the campus for their own staff training programs are: Flight Attendants, Aug. 30-Sept. 2; Brewery Workers, Aug. 31-Sept. 3; Iron Workers, Sept. 3; Communications Workers, Sept. 12-Oct. 1 and Sept. 19-24; Railway & Airline Clerks, Sept. 19-24, and State, County & Municipal Employees, Sept. 26-Oct. 1.

The federation's Dept. of Education has scheduled a program for labor educators on retraining for new careers and life planning Sept. 7-10. The Dept. of Organization & Field Services will sponsor a seminar for state central body officers on state legislation Sept. 28-Oct. 1. The Dept. of Community Services will bring its headquarters and regional field staff to the campus Sept. 29-Oct. 1 for a brainstorming session.

AIFLD is host for 40 Spanish-speaking trade unionists from Latin American countries. They'll be on campus until Sept. 24.

Enrollment is open for four programs at the George Meany Center during October. They are: Effective Speaking, Oct. 3-8; Labor Law, Oct. 3-8; Advanced Skills for Union Leaders, Oct. 17-22, and Advanced Grievance Arbitration, Oct. 24-29.

Information on these and other labor studies may be obtained from the registrar, George Meany Center, 10000 New Hampshire Ave., Silver Spring, Md. 20903. Telephone 301/431-6400.

VOTER REGISTRATION drive with a goal of registering all of the 14,000 members of State, County & Municipal Employees Local 420 in New York City is nearing completion as the local's president, Jim Butler, points with pride to new registrations collected by union volunteers. The drive, conducted out of the union's own bus, has concentrated on black and Hispanic communities in Manhattan as well as local union members.

TV Linkup Spurs Budget Plank Battle

(Continued from Page 1)

workable economic theory into the Constitution and urged personal calls on House members in their home districts to let them know the intensity of labor's opposition to the amendment.

Pepper, the veteran congressman and former senator who has championed the cause of America's elderly, said massive slashes in social security benefits would be the only possible way to balance the budget in today's deep recession economy.

SOMBROTTO stressed the point that an economy keyed to full employment and production is the only path to a balanced budget, and Cortese described Reagan's embrace of the amendment as "a political ploy in a year of massive deficits" brought on by the President's failed economic policies.

McEntee cited the conclusions of the econometric study undertaken by AFSCME, which pointed to an additional 2.6 million unemployed, a sharp drop in total output, further destruction of federal programs and, as a byproduct, a $50 billion loss of state and local revenues.

Donahue, in his remarks and in response to questions, likened the phrase "balanced budget" to the equally misleading slogan of "right-to-work."

HE STRESSED the double goal of the grass-roots lobbying effort—to persuade House members not to provide the 218 signatures needed to take the amendment out of the Judiciary committee and bring it to the floor and to vote against the proposal if it comes before the House.

He told a questioner that the AFL-CIO is not a "one-issue" organization, but that House members should be aware of the importance labor puts on this issue. It would be hard to campaign with enthusiasm for the election of members of Congress who vote wrong on such a job-related issue, he suggested.

A few score of still uncommitted House members could tilt the outcome either way, the speakers stressed in their remarks. And a large number of this group represent the districts to which the telecast was aimed and adjoining areas.

Consumer Price Increase Slows Following Surge

Consumer prices rose more slowly in July than in either of the two preceding months, but the six-tenths of 1 percent increase still was high by historical standards.

Fuel and medical-care costs went up the most over the month, but these were offset by a drop in food and beverage prices, the Bureau of Labor Statistics reported.

THE JULY increase in the government's consumer price index lifted the CPI 6.3 percent above its year-earlier level. In the three months ended in July, the index rose at a compound annual rate of 10.9 percent.

In June, the CPI had risen a full 1 percent while in May the index rose nearly as much, nine-tenths of 1 percent. Last month's slowdown in the rate of inflation, coupled with a rise of three-tenths of 1 percent in average weekly hours, allowed real earnings of production or nonsupervisory workers in nonfarm businesses to edge up two-tenths of 1 percent after declining 1.4 percent in June. Real earnings in July were still 1.4 percent below the year-earlier level, however, BLS noted.

THE PRICE moderation at the retail level last month followed similar moderation at the wholesale level reported earlier in August by BLS. The government's producer price index for finished goods in July rose six-tenths of 1 percent, the same increase as in the CPI.

The food and beverage component of the CPI remained unchanged over the month as a drop in grocery store food prices was offset by moderate increases in the price of restaurant meals and alcoholic beverages. BLS said the decrease in grocery store items was largely attributable to a decrease in prices for fresh fruits and vegetables and a deceleration in meat prices.

HOUSING costs rose six-tenths of 1 percent in July after increasing 1 percent in June and 1.4 percent in May, as home prices increased eight-tenths of 1 percent and mortgage rates fell for the third consecutive month.

Two-thirds of the 1.2-percent increase in the transportation component was attributed to higher prices for gasoline and used cars. Gasoline prices climbed a seasonally adjusted 2 percent.

Black Mississippi Democrat Nominated for House Seat

Labor endorsed Robert G. Clark won the Democratic nomination for Congress in a racially mixed Mississippi Delta district and stands a good chance of becoming the first black the state has sent to the House since the Reconstruction era.

Clark, who is chairman of the Education Committee in the state House, won easily with 57 percent of the vote against three white opponents. The incumbent congressman, David R. Bowen, did not seek re-election after district lines were redrawn by a federal court.

WHILE THE new district has a 54 percent black majority, blacks make up only 48 percent of the voting age population and just 35 percent of the registered voters. But Clark carried 19 of the district's 21 counties, including heavily white areas. He will face Webb Franklin, a well-financed, white Republican candidate in November.

In some other recent primaries:

- Michigan Republicans veered sharply to the right and nominated insurance executive Richard Headlee for governor in an upset victory over Lt. Gov. James Brickley. His Democratic opponent will be labor-endorsed James J. Blanchard, who is leaving Congress with a COPE record of 126 "right" and only 15 "wrong" votes.

In the Senate contest, incumbent Democrat Donald W. Riegle, Jr., was unopposed, and a former six-term congressman, Philip E. Ruppe, won the GOP nomination. Sander Levin, the brother of Michigan's other senator, Carl Levin, won the Democratic nomination in a Detroit and suburban House district from which Democrat William M. Brodhead is retiring. It is considered a safe Democratic seat.

- Missouri Democrats nominated Harriet Woods, a popular state senator, to run for the U.S. Senate against incumbent Republican John C. Danforth.

In a closely watched House race, incumbent William Clay was an easy winner in the Democratic primary despite redistricting that changed a black majority to a white majority. He had substantial labor support.

- In Kansas, incumbent Gov. John Carlin easily won the Democratic primary while a costly media campaign helped real estate developer Sam Hardage edge out his Republican competitors.

- Tennessee Democrats renominated Jim Sasser for the Senate. Sasser's COPE record is 69 percent "right." His Republican opponent, Robin L. Beard, had a COPE record of only 14 percent right during his service in the House.

THERE WAS considerable interest in the 4th Congressional District primary, where the Democratic nomination went to Jim Cooper, the son of a former Tennessee governor, and Republicans nominated Cissy Baker, the daughter of Senate Majority Leader Howard H. Baker, Jr.

- Oklahoma's incumbent governor, George Nigh, easily won the Democratic primary and will seek to become the first governor in the state in history to serve a second term. State Auditor Tom Daxon is the Republican nominee.

- In Georgia's 4th and 5th congressional districts, a three-judge federal court rejected the boundary lines carved out by the legislature and redrew the districts. The court then postponed the primary until Nov. 2, the date of the general election. If a runoff is needed, it will be held Nov. 9, and the general election is set for Nov. 30.

Local Action Pushed to Meet Health Care Needs of Jobless

(Continued from Page 1)

exist if Congress had enacted universal, comprehensive national health insurance, or at the very least assurance of continued health coverage for the unemployed, as the AFL-CIO has long recommended," Kirkland stressed.

THE NEED for continued health protection for the unemployed was also emphasized in a statement by Auto Workers President Douglas Fraser, in his role as chairman of the Health Security Action Council.

Fraser welcomed action by Congress to extend jobless benefits for workers who have exhausted their state entitlements. But he said Congress should at the same time have provided for continuation of health protections.

Kirkland's statement pointed out that many of the new unemployed are forced to postpone needed medical care for themselves and their families because they are without insurance coverage but are not yet poor enough to qualify for Medicaid. The working poor are often in a similar situation, Kirkland said, because of the Reagan Administration's cutback of coverage and welfare assistance.

SPEAKING for the Health Security Action Council, Fraser said a comprehensive national health program remains a key goal, "but people are being harmed and are suffering now."

To meet the immediate need, the council has proposed:

- Easier access to Medicaid for the unemployed.

- Provision for continuation of employee health insurance during periods of unemployment.

- Reopening of union contracts to provide for health insurance coverage during layoffs, similar to existing agreements negotiated by the UAW and other unions.

- Low-cost interim health policies from the insurance industry.

- State and local programs to meet special health care needs for jobless workers and families.

- Stepped-up efforts by local, voluntary health care coalitions including hospitals, doctors and other providers to develop programs of free care to meet the current special need.

White House Fellowship Applications Available

Applications are being accepted now through Dec. 1 for White House Fellowships for 1983-84. The fellowship program, begun in 1964, is designed to offer firsthand experience and involvement in governing the country. White House Fellows serve for the year as assistants to the Vice President, Cabinet secretaries or senior White House staff.

The President's Commission on White House Fellowships says applicants must be U.S. citizens, but there are no educational requirements or career or professional categories. Candidates should have a record of "demonstrated excellence in their professional roles as well as significant breadth of interests and community involvement." Federal employees are not eligible, except career military personnel.

Copies of the application and information are available from the President's Commission on White House Fellowships, 712 Jackson Place, N.W., Washington, D.C. 20503.

Machinists Ratify USAir Settlement

Mechanics and storage workers employed by USAir ratified a new 28-month contract by an overwhelming margin, with support for the pact registered by some 80 percent of those voting, the Machinists reported.

The agreement includes a 25-percent increase in basic wages over the life of the contract, plus improvements in fringe benefits, for the nearly 2,000 IAM members covered by its terms. The airline serves 26 cities across the country.

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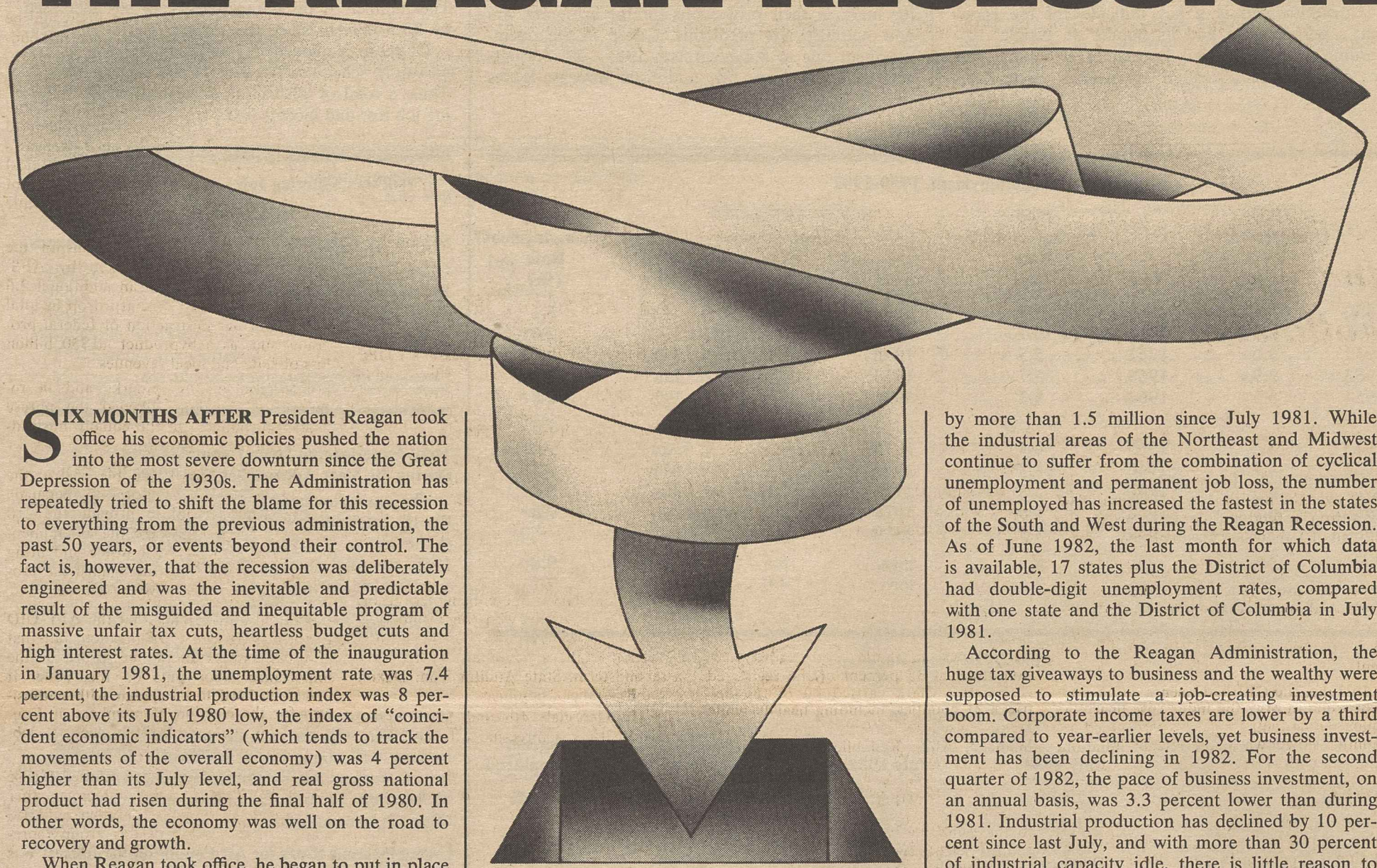
THE REAGAN RECESSION



SIX MONTHS AFTER President Reagan took office his economic policies pushed the nation into the most severe downturn since the Great Depression of the 1930s. The Administration has repeatedly tried to shift the blame for this recession to everything from the previous administration, the past 50 years, or events beyond their control. The fact is, however, that the recession was deliberately engineered and was the inevitable and predictable result of the misguided and inequitable program of massive unfair tax cuts, heartless budget cuts and high interest rates. At the time of the inauguration in January 1981, the unemployment rate was 7.4 percent, the industrial production index was 8 percent above its July 1980 low, the index of "coincident economic indicators" (which tends to track the movements of the overall economy) was 4 percent higher than its July level, and real gross national product had risen during the final half of 1980. In other words, the economy was well on the road to recovery and growth.

When Reagan took office, he began to put in place the four basic elements of his economic plan: a slowdown in monetary growth which has produced destructively high interest rates; massive tax cuts skewed to large corporations and the wealthy; budget cuts primarily aimed at social programs; and a rollback in regulations protecting workers, the environment, and consumers. It took another six months for Reaganomics to really take hold and reverse the path of the economy from growth to decline. From January through July 1981, industrial production rose and unemployment declined slightly to 7.2 percent.

Since July of 1981, however, the economy has fallen into a sharp decline. The effect on working people has been particularly devastating. From July of 1981, the unemployment rate has increased from 7.2 percent to 9.8 percent in July 1982, its highest level in more than forty years.

During Reagan's first year in office, his Treasury Secretary predicted the U.S. economy would come "roaring back" in the spring of 1982. But in the spring quarter of 1982, the number of workers counted as officially unemployed averaged 10.4 million. An additional 1.5 million had given up entirely on the desperate and fruitless search for work, and 5.7 million were forced to work part time. Thus, Reaganism has resulted in 17.6 million Americans suffering job loss and income loss.

The unemployment rate for adult men now stands at 8.8 percent. Among other excuses, Reagan has tried to blame high unemployment on the increased participation of women in the labor force. Yet, the increase in the number of adult males unemployed in the past year is without precedent since the Depression. Three fifths of the increased unemployment since July 1981 occurred among adult men.

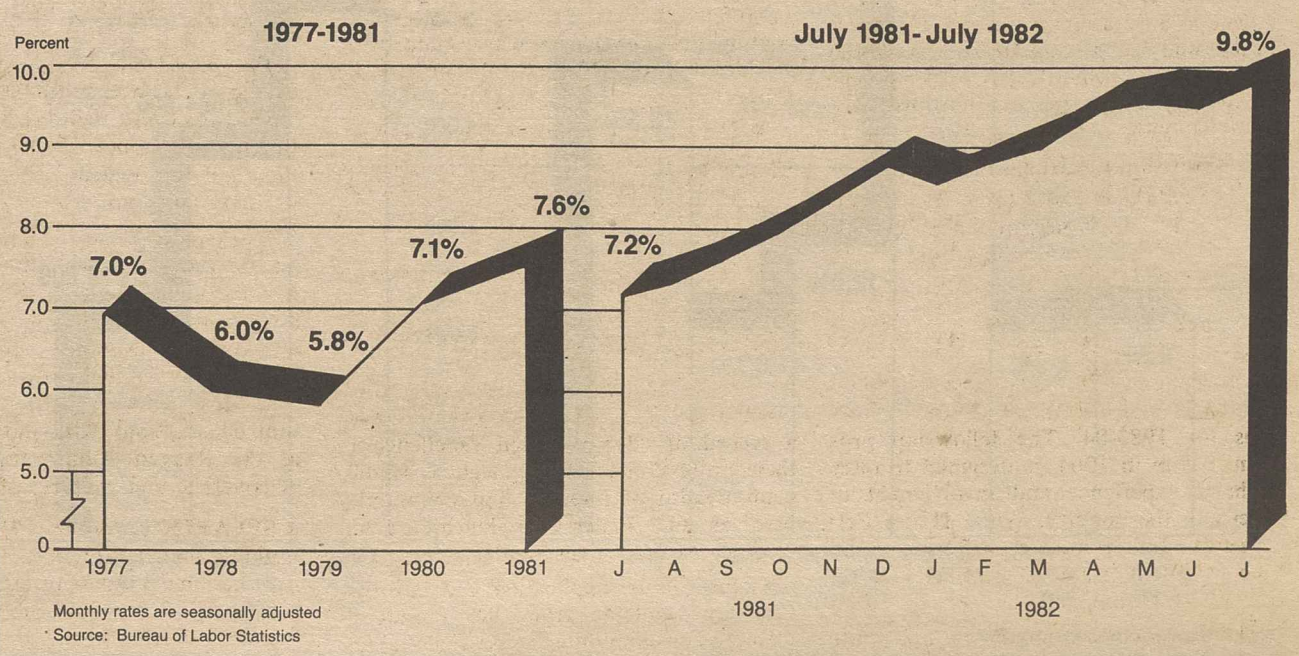
The five million adult males now unemployed constitute nearly one-half of the total officially unemployed. This five million level is five times greater than the average number of unemployed adult males during the late 1960s. In addition, there are 3.7 million unemployed adult women, for an unemployment rate of 8.4 percent. Minorities have been devastated, with black Americans experiencing an unemployment rate of 18.5 percent. For black teenagers, the situation is catastrophic with an official unemployment rate of 50 percent. Untold numbers are experiencing the greatest economic hardship of their lives; permanent job loss threatens hundreds of thousands.

The effects of the Reagan Recession are being felt throughout the economy. The auto, steel, and construction industries, which together directly and indirectly account for more than one out of every three jobs in the country, have been particularly hard hit. Manufacturing employment has declined by more than 1.5 million since July 1981. While the industrial areas of the Northeast and Midwest continue to suffer from the combination of cyclical unemployment and permanent job loss, the number of unemployed has increased the fastest in the states of the South and West during the Reagan Recession. As of June 1982, the last month for which data is available, 17 states plus the District of Columbia had double-digit unemployment rates, compared with one state and the District of Columbia in July 1981.

According to the Reagan Administration, the huge tax giveaways to business and the wealthy were supposed to stimulate a job-creating investment boom. Corporate income taxes are lower by a third compared to year-earlier levels, yet business investment has been declining in 1982. For the second quarter of 1982, the pace of business investment, on an annual basis, was 3.3 percent lower than during 1981. Industrial production has declined by 10 percent since last July, and with more than 30 percent of industrial capacity idle, there is little reason to expect a significant upsurge of capital spending in the near future.

The Reagan-Federal Reserve devotion to a high interest rate policy continues to have shattering effects on housing, construction, automobile, farming, state and local governments, and other sectors particularly sensitive to the cost of borrowed funds. Home mortgage delinquencies, foreclosures, and business failures are at record high levels. The damage to thrift institutions caused by high interest rates have severely taxed the deposit insurance agencies. The recently-enacted tax bill of August 1982, initiated by key Republicans and vigorously supported by Reagan, partially reverses the massive tax

Unemployment, 1977-July 1982



Monthly rates are seasonally adjusted
Source: Bureau of Labor Statistics

cuts of a year earlier. It represents an admission by Congress and the President that the earlier cuts were reckless, inequitable and ineffective in producing the promised "supply-side" economic recovery.

This report, presented to the AFL-CIO Executive Council at its August meeting in New York, describes the grim reality of the Reagan recession in terms of unemployment and various economic indications of the economic downturn. The pain and suffering of the unemployed is detailed in various newspaper accounts. A program to reverse the recession, as proposed by the AFL-CIO at its February 1982 Executive Council meeting, concludes this section.

UNEMPLOYMENT

Unemployment is a key indicator of the economy's performance and its impact on people. According to the National Bureau of Economic Research, the official "caller" of business cycle dates and turning points, the Reagan recession began in July 1981. Since then unemployment has increased sharply, with joblessness rising by 3 million workers as of July 1982. The 9.8 percent seasonally adjusted unemployment rate for July of 1982 represents the highest level in more than 40 years.

In spite of the fact that unemployment surpassed all postwar records, the Administration failed to support any of the traditional anti-recession policies used in other recessions to ease the calamity of unemployment. This represents a serious deterioration from the post-World War II experience of the United States and an unconscionable retreat from the commitment to full employment set forth in the Humphrey-Hawkins Full Employment and Balanced Growth Act of 1978.

Reagan forecasters, who have consistently missed the mark in their projections for the economy, are now optimistically predicting a drop in the unemployment rate to 8.4 percent in 1983, and 7.6 percent in 1984. Even this optimistic forecast leaves unemployment rates at very high levels. A European forecast for the United States by OECD (Organization for Economic Cooperation and Development) projects the U.S. unemployment rate at 10 percent in 1983.

Discouraged Workers and Involuntary Part-Time Workers

The reality of unemployment is much worse than the official monthly statistics imply. For the second quarter of 1982, the months of April, May, and June, an average of 10.4 million people were officially counted as unemployed by the Bureau of Labor Statistics. An additional 1.5 million "discouraged" workers had given up entirely on the desperate and fruitless search for work. Their plight is not captured in the official unemployment rate. The number of discouraged workers has increased by 43.5 percent since the second quarter of 1981.

Of those employed, 5.7 million were forced into part-time schedules because of the slack economy. Thus, a total of 17.6 million Americans are suffering job loss and income loss.

Unemployment, 1950-1982

Year	1950s Unemployment Rate (%)	Year	1960s Unemployment Rate (%)	Year	1970s Unemployment Rate (%)	Year	1980s Unemployment Rate (%)
1950	5.3	1960	5.5	1970	4.9	1980	7.1
1951	3.3	1961	6.7	1971	5.9	1981	7.6
1952	3.0	1962	5.5	1972	5.6	1982	
1953	2.9	1963	5.7	1973	4.9	Jan	8.5
1954	5.5	1964	5.2	1974	5.6	Feb	8.8
						Mar	9.0
1955	4.4	1965	4.5	1975	8.5	Apr	9.4
1956	4.1	1966	3.8	1976	7.7	May	9.5
1957	4.3	1967	3.8	1977	7.0	Jun	9.5
1958	6.8	1968	3.6	1978	6.0	Jul	9.8
1959	5.5	1969	3.5	1979	5.8		
high	6.8	high	6.7	high	8.5	high	9.8
low	2.9	low	3.5	low	4.9	low	7.1

Source: Bureau of Labor Statistics

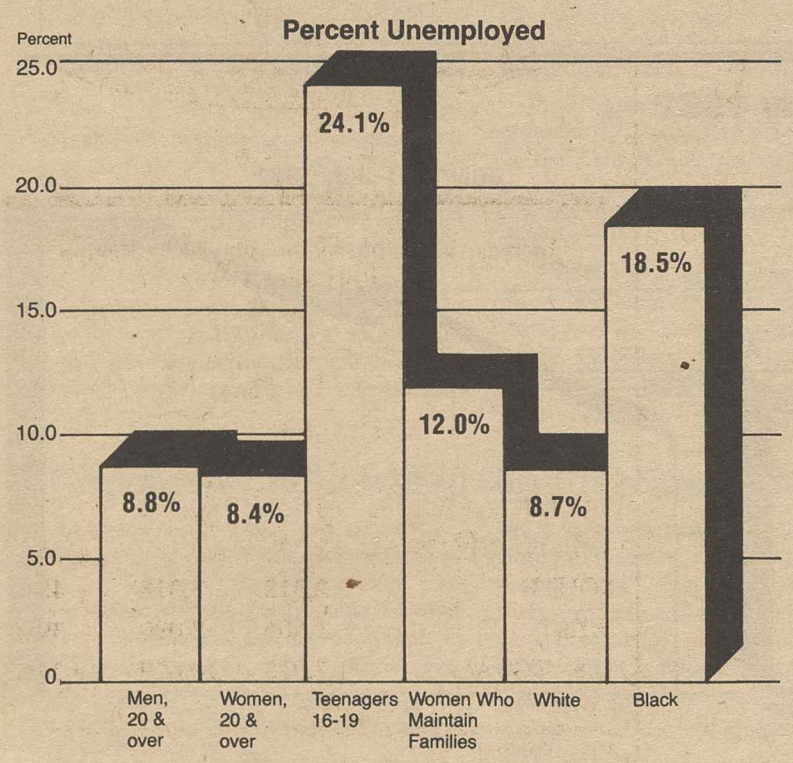
Changes in Unemployment July 1981-July 1982

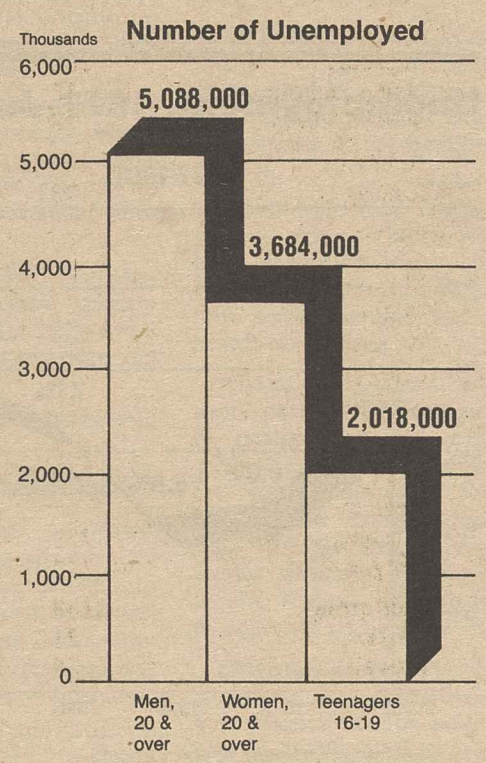
	Number Unemployed (in thousands) July 1981	July 1982	Increase in Unemployed	Percent Unemployed
TOTAL	7,824	10,790	2,966	9.8%
Males, 20 years +	3,298	5,088	1,790	8.8
Females, 20 years +	2,872	3,684	812	8.4
Teenagers, 16-19 years	1,654	2,018	364	24.1
Women who maintain families	627	718	91	12.0
Whites	5,956	8,356	2,400	8.7
Blacks	1,633	2,098	465	18.5
Hispanic origin	591	832	241	13.9
Black teenagers	324	397	73	49.7
Male black teenagers	183	201	18	48.3
Full-time workers	6,365	8,942	2,577	9.5
Part-time workers	1,471	1,844	373	11.4

Seasonally adjusted data

Source: Bureau of Labor Statistics

Who Are The Unemployed?—July 1982





Source: *Employment Situation*, July 1982

Workers Suffering Job Loss and Income Loss

Second Quarter* 1982

Seasonally adjusted	(thousands)
Officially unemployed	10,428
Involuntary part-time workers	5,680
Discouraged workers	1,497
Total	17,605

* average on a monthly basis
Source: Bureau of Labor Statistics

Total Experiencing Some Unemployment During the Year Approaches One Third

The unemployment figures are monthly averages. But the total number of people hit by unemployment in the course of a year is substantially higher. Since 1959, the total number of workers experiencing unemployment during a year has ranged from 2.7 to 4.2 times the number who are unemployed in any given month.

Thus, in 1981, average monthly unemployment was 8.3 million persons, but more than 23 million workers were jobless during the year—about 20 percent of the workforce.

In 1982, with the monthly number of unemployed running well above last year's levels, the total number of workers hit by unemployment will probably be between 27 and 33 million, nearly one out of three American workers.

Unemployment Rates for All Population Groups at Post-World War II Record High Levels

The number of unemployed increased by 38 percent (3 million) from July 1981 to July 1982. All age, sex, and racial groups experienced significant deterioration in their employment prospects. The unemployment rates for all groups—adult men, adult women, teenagers, whites, blacks, and Hispanics—are at post-World War II record high levels. For the category, "women who maintain families," the unemployment rate of 12.0 percent is at its highest level (except for the 12.4 percent June 1982 rate) since this statistic was introduced in 1967.

Unemployment Increases Fastest Among Adult Males

The unemployment rate for adult men now stands at 8.8 percent. The percentage increase in the number of unemployed from July 1981 to July 1982 was greatest among adult males, with an increase of 54 percent over a year ago. Another way to consider it is that three fifths of the increased unemployment occurred among adult men. The more than five million adult males now unemployed constitute 47 percent of the total officially unemployed. This is five times greater than the average number of unemployed adult men during the late 1960s. Of all working people, adult men have traditionally had the most stable attachment to the labor force and are proportionately more often the primary income earner supporting families.

There are nearly 3.7 million unemployed adult women, for an unemployment rate of 8.4 percent. Approximately one out of eight women who maintain families is unemployed.

Minorities Suffer Depression Level Unemployment Rates

Black unemployment increased by more than a quarter from July 1981 to July 1982, climbing from 1.6 million to over 2 million jobless workers. This represents an official unemployment rate of a staggering 18.5 percent. Unemployment among workers of Hispanic origin climbed to 832,000 in July, 41

percent greater than last year and the unemployment rate now stands at 13.9 percent for Hispanics.

Employment Prospects for Teenagers Rapidly Disappearing

In the face of mounting layoffs, young people just entering the labor market cannot find jobs. The official teenage, (ages 16-19), unemployment rate increased from 18.7 percent to 24.1 percent over the year of the Reagan Recession. For black teenagers, the unemployment rate increased from 40.0 to 49.7 percent, and for black teenage males, from 42 to 48 percent.

For white teenagers, unemployment declined by 11 percent over the year, and the number of black teenagers with jobs fell by an alarming 17 percent. While 44 percent of white teenagers have a job, only 18 percent of black teenagers do.

Unemployment by Occupation

Blue-collar workers have suffered most of the job losses during the recession with their unemployment rate up from 9.5 to 14.4 percent.

White-collar unemployment increased to 4.9 percent in July of 1982 with the unemployment rate for clerical workers reaching 6.9 percent. Professional and technical workers and managers have been forced into the unemployment line with unemployment surpassing one million. Many hard-pressed large corporations have pink-slipped thousands of professionals and managers. Layoffs have even occurred among high technology electronics firms once thought to be immune to recession in the 1980s.

Unemployment among service workers increased from 8.0 percent to 10.5 percent in July 1982.

Unemployment By Industry

Manufacturing and construction continue to bear the brunt of the recession's impact. Unemployment in manufacturing has increased precipitously from 7.3 percent in July 1981 to 12.0 percent in July 1982. Unemployment in durables manufacturing, which includes autos, steel, and machinery, stands at 12.7 percent and in nondurables at 11.0 percent.

Construction unemployment surpassed one fifth with a July 1982 rate of 20.3 percent. In the wholesale and retail trade sector unemployment is 10.5 percent; transportation and public utilities, 6.1 percent; and in finance and service industries, 7.0 percent.

For the private, non-agricultural sector in general, the July 1982 unemployment rate was 10.2 percent. Employment among government workers has provided somewhat of a stabilizing force during the recession with the unemployment rate remaining at 4.6 percent. The high unemployment rate among agricultural wage and salary workers, 13.8 percent, reflects the depressed condition of the farm sector.

Average Duration of Unemployment Increases

In July 1982, the average unemployed worker was out of work for 15.6 weeks. More than one third of the unemployed have been jobless for 15 weeks or longer, with 16.7 percent unemployed for more than half a year. As the recession continues, the average duration of unemployment will further increase.

Unemployment by State and Region

In July 1981, Michigan and the District of Columbia had double-digit unemployment rates. By June 1982, the latest month for which data are available, 16 other states had joined them in the double-digit category.

Heavily dependent on depressed auto, steel, textile, or lumber industries, the states topping the list in June include Michigan with an unemployment rate of 14.3 percent, Alabama with 13.9 percent, Washington with 12.4 percent, and West Virginia and Ohio with 12.3 percent.

While the industrial areas of the Northeast and North Central continue to suffer from both recession related and longer term job loss, the number of unemployed has increased the fastest in the South and West. On a seasonally unadjusted basis (seasonally adjusted data are not available by states), the number of unemployed increased by 34 percent from July 1981 to June 1982 for the nation as a whole. Unemployment increased fastest in the South over this period, increasing by 43 percent; for the West, 39 percent; and for the Northeast, 21 percent. By region, the number of states with double-digit unemployment rates in June 1982: South, six plus the District of Columbia; North Central, five; West, five, and Northeast, one.

For June 1982, five states had rates below 6 percent: North Dakota, South Dakota, Nebraska, Oklahoma, and Wyoming. For predominantly agricultural states like the Dakotas and Nebraska, low unemployment rates mask the precarious condition of their farm economies. The dramatic slowdown in invest-

Unemployment by Occupation and Industry
July 1981-July 1982

	Unemployed July 1982 (000's)	Unemployment Rate (Percent) July 1981	July 1982
Occupation			
White-collar workers	2,766	4.0%	4.9%
Professional and technical	591	2.8	3.3
Managers and administrators, except farm	437	2.6	3.7
Sales workers	374	4.9	5.4
Clerical workers	1,364	5.7	6.9
Blue-collar workers	4,964	9.5	14.4
Craft and kindred workers	1,499	6.9	10.9
Operatives, except transport	1,991	11.1	17.4
Transport equipment operatives	450	7.3	11.6
Nonfarm laborers	1,024	14.4	18.6
Service workers	1,605	8.0	10.5
Farm workers	179	4.8	6.1
Industry			
Nonagricultural private wage and salary workers	8,312	7.2	10.2
Construction	1,053	15.2	20.3
Manufacturing	2,734	7.3	12.0
Durable goods	1,719	7.1	12.7
Nondurable goods	1,015	7.6	11.0
Transportation	354	4.1	6.1
Wholesale and retail trade	2,178	7.9	10.5
Finance and service industries	1,803	5.7	7.0
Government workers	746	4.6	4.6
Agricultural wage and salary workers	244	10.7	13.8

Data seasonally adjusted

Source: Bureau of Labor Statistics

Unemployment By State and Region
June 1982p

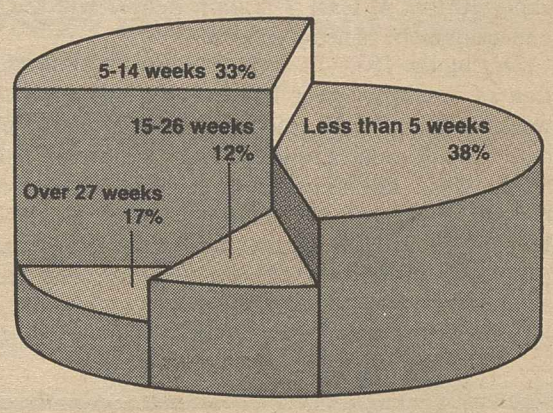
	Number Unemployed (000's)	Unemployment Rate
NORTHEAST	2,111	8.9%
Maine	48	8.9
New Hampshire	38	7.6
Vermont	19	7.2
Massachusetts	275	9.0
Rhode Island	45	9.3
Connecticut	114	6.9
New York	695	8.5
New Jersey	314	8.6
Pennsylvania	563	10.3
SOUTH	3,318	9.1%
Delaware	28	9.0
Maryland	201	9.0
District of Columbia	36	11.3
Virginia	198	7.4
West Virginia	96	12.3
North Carolina	274	9.2
South Carolina	174	11.5
Georgia	216	8.1
Florida	366	7.7
Kentucky	159	9.8
Tennessee	235	11.2
Alabama	238	13.9
Mississippi	123	11.6
Arkansas	98	9.6
Louisiana	218	11.5
Oklahoma	86	5.7
Texas	572	7.7

	Number Unemployed (000's)	Unemployment Rate
NORTH CENTRAL	3,110	10.7%
Ohio	644	12.3
Indiana	296	11.5
Illinois	670	11.7
Michigan	620	14.3
Wisconsin	250	10.1
Minnesota	160	7.2
Iowa	109	7.5
Missouri	208	8.7
North Dakota	15	4.7
South Dakota	18	5.3
Nebraska	47	5.8
Kansas	73	6.2
WEST	2,090	9.5%
Montana	36	9.1
Idaho	41	9.1
Wyoming	14	5.2
Colorado	115	7.2
New Mexico	60	10.2
Arizona	138	10.5
Utah	50	7.3
Nevada	45	9.3
Washington	252	12.4
Oregon	145	10.9
California	1,138	9.4
Alaska	21	10.0
Hawaii	35	7.7

June data for Kentucky and Iowa not available; May 1982 figures are shown.
Data not seasonally adjusted.
p = preliminary.

Source: Bureau of Labor Statistics

Duration of Unemployment, July 1982

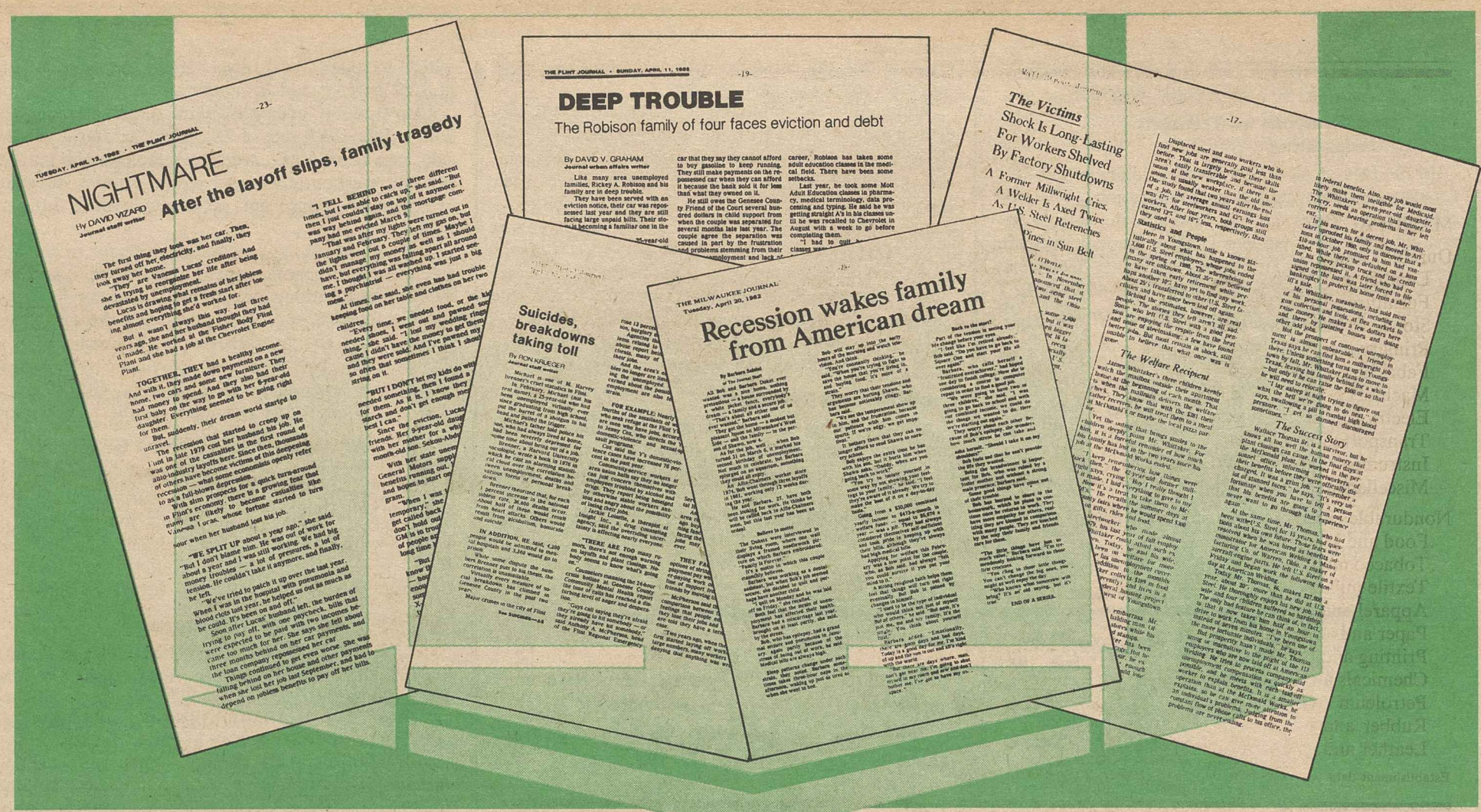


Source: "Employment Situation," July 1982, BLS

Increase in Number Unemployed by Region
July 1981-June 1982p

Region	Number Unemployed in Thousands July 1981	June 1982(p)	Percent Change
NORTHEAST	1,750	2,111	+21%
NORTH CENTRAL	2,339	3,110	+33%
SOUTH	2,318	3,318	+43%
WEST	1,506	2,090	+39%
U.S. TOTAL	7,913	10,629	+34%

Data not seasonally adjusted and based on state distributions.
p = preliminary.
Source: Bureau of Labor Statistics.



ment in energy resource development in 1982 also bodes ill for Oklahoma and Wyoming.

Unemployment Benefit Exhaustions

As high unemployment continues, more and more people are using up their unemployment benefits. Termination of benefits removes their safety net, and further reduces consumer buying power. Prior to the current deep Reagan recession, additional unemployment benefits had been generally available during periods of high unemployment to workers whose regular state benefits had run out. Reagan-mandated budget cuts in 1981 and 1982 have prevented hundreds of thousands of unemployed workers from receiving benefits beyond the regular 26-week period. Most workers who exhaust benefits and can't find jobs do not qualify for welfare and are left with nowhere to turn for even minimal economic assistance.

From July 1981 through June 1982, 3.3 million workers have used up their regular benefits. In those states where extended benefits have been available over 600,000 have exhausted these benefits as well.

The rate of benefit exhaustion, including both "regular" benefits and "extended" benefits, was over 500,000 people per month for the second quarter of 1982 (April, May, and June). Given current conditions, this level will likely climb; for all of 1982 it is expected that at least 4 million people will see their unemployment benefits run out.

During the 1974-75 recession, the maximum duration of unemployment benefits was extended to 65 weeks. Even though unemployment is worse in the current recession, Congress and the Administration have passed measures to severely restrict extended benefits. Only very recently, as part of the 1982 tax bill passed in mid-August, has Congress moved to provide temporary additional benefits. The federal supplemental benefits will only extend present eligibility by six to ten weeks (depending on the state), bringing the maximum in any state to 49 weeks. This program will run from Sept. 12, 1982, to Mar. 31, 1983.

In past recessions supplemental benefits were funded out of general revenues, but this time Congress is forcing jobless workers to finance the program through a lowering of the threshold at which unemployment compensation is counted as taxable income.

EMPLOYMENT FALLS

The number of jobs has to grow by about 1.5 percent a year in the United States, or about 1.5 million jobs per year, to keep up with population and labor force growth and hold unemployment at the same rate. In the year of the Reagan Recession, from July of 1981 to July of 1982, total nonfarm payroll employment has declined by 1.7 percent, with a net loss of 1.6 million jobs.

The largest losses have occurred in manufacturing and construction. Manufacturing employment has fallen by 1.5 million from July of last year to July of this year. This represents a decline of 7.6 percent. Construction employment has decreased by a quarter of a million since July 1981.

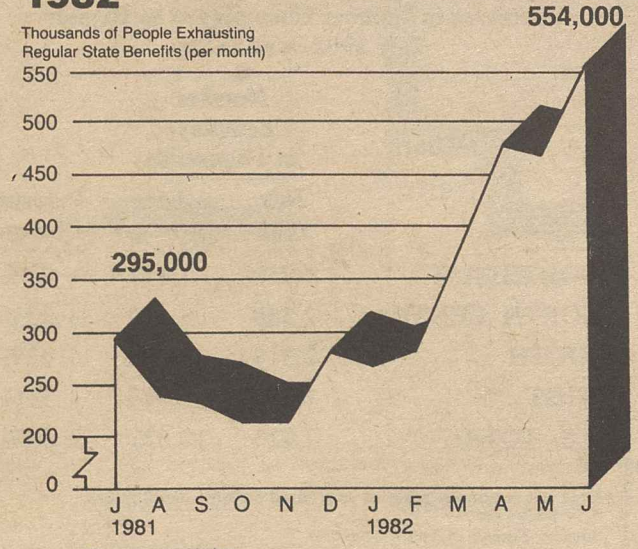
Employment in the transportation and public utilities sector has fallen by 110,000. Total government employment has dropped by 114,000 from a year before, with large declines in the state and local government sector. Many states, cities, and school districts have laid off employees during the past year, and the employment data in coming months will continue to reflect these declines. Other sectors have shown some gains, although at rates considerably below the pace of their expansion in the 1970s. Employment in wholesale and retail trade has registered an increase of less than one-tenth of one percent from July of 1981 to July of 1982. However, from 1970 to 1979, this sector grew by an average annual rate of 3.3 percent. Employment in the financial sector has increased by 1.0 percent during the recession, compared to an average rate of growth of 3.5 percent during the 1970s. The largest gains in employment were in services, with an increase of 451,000 jobs. Yet, this 2.4 percent increase is dwarfed by the average annual rate of increase during the 1970s of 4.4 percent.

Employment has declined in every one of the manufacturing industries during the recession. Losses were heaviest in the durable goods industries, particularly: primary metals (which includes steel), down by 209,000 jobs or an alarming 18.5 percent; nonelectrical machinery, down by 253,000 or 10.0 percent; transportation equipment (which encompasses autos), down by 169,000 or 8.8 percent; and fabricated metals, down by 169,000 or 10.5 percent. These metal and machinery industries constitute the core of U.S. industrial strength and largely account for this nation's manufactured exports. Under Reagan, their employment has declined by an average of 11 percent. It is widely recognized that the sustained unemployment of the human and capital resources in these industries constitutes a serious and perhaps irreversible drag on U.S. industrial productivity.

The depression in housing construction largely accounts for the 9.7 percent decline in employment in the lumber and wood products industry. This decline has produced double-digit unemployment rates in the lumber-dependent states of Oregon and Washington.

Employment has contracted by 5.3 percent in nondurable goods. Textiles and leather goods had the most precipitous decline, 10.9 and 13.8 percent, respectively. Apparel employment has fallen by 105,000 from July 1981 to July 1982, for a decline of 8.4 percent. In the auto-related rubber industry, employment is off by 6.0 percent.

Unemployment Benefit Exhaustions, July 1981- June 1982



Source: Department of Labor

Employment by Industry, July 1981-July 1982

	July 1981 (000's)	July 1982(p) (000's)	Change (from July) Number (000's)	Change (from July) Percent
TOTAL	91,396	89,843	− 1,553	− 1.7%
Goods producing	25,718	23,878	− 1,840	− 7.2
Mining	1,164	1,107	− 57	− 4.9
Construction	4,175	3,932	− 243	− 5.8
Manufacturing	20,379	18,839	− 1,540	− 7.6
Service producing	65,678	65,965	+ 287	+ 0.4
Transportation and public utilities	5,168	5,058	− 110	− 2.1
Wholesale and retail trade	20,620	20,629	+ 9	*
Finance, insurance, and real estate	5,311	5,362	+ 51	+ 1.0
Services	18,615	19,066	+ 451	+ 2.4
Government	15,964	15,850	− 114	− 0.7
Federal government	2,775	2,748	− 27	− 1.0
State and local government	13,189	13,102	− 87	− 0.6

Establishment data seasonally adjusted
* less than one-tenth of one percent
p = preliminary
Source: Bureau of Labor Statistics, "Employment Situation," July 1982

Employment by Manufacturing Industry, July 1981-July 1982

	July 1981 (000's)	July 1982 (000's)	Change Number (000's)	Change Percent
MANUFACTURING	20,379	18,839	– 1,540	– 7.6%
Durable Goods	12,266	11,157	– 1,109	– 9.0
Lumber and wood products	683	617	– 66	– 9.7
Furniture and fixtures	476	445	– 31	– 6.5
Stone, clay and glass products	644	576	– 68	– 10.6
Primary metal industries	1,132	923	– 209	– 18.5
Fabricated metal products	1,617	1,448	– 169	– 10.5
Machinery, except electrical	2,527	2,274	– 253	– 10.0
Electric and electronic equipment	2,112	2,025	– 87	– 4.1
Transportation equipment	1,925	1,756	– 169	– 8.8
Instruments and related products	731	706	– 25	– 3.4
Miscellaneous	419	387	– 32	– 7.6
Nondurable Goods	8,113	7,682	– 431	– 5.3
Food and kindred products	1,678	1,621	– 57	– 3.4
Tobacco manufacturers	70	65	– 5	– 7.1
Textile mill products	835	744	– 91	– 10.9
Apparel and other textile products	1,255	1,150	– 105	– 8.4
Paper and allied products	691	655	– 36	– 5.2
Printing and publishing	1,268	1,263	– 5	– 0.4
Chemicals and allied products	1,110	1,069	– 41	– 3.7
Petroleum and coal products	217	204	– 13	– 6.0
Rubber and miscellaneous plastic products	750	705	– 45	– 6.0
Leather and leather products	239	206	– 33	– 13.8

Establishment data seasonally adjusted Source: Bureau of Labor Statistics

HOURS OF WORK DECLINE

Average weekly hours of work for all private sector workers continue to decline in 1982, dropping 0.5 hours for the first seven months of this year compared to the first seven months of 1981. In manufacturing, the falloff in hours worked was even greater, dropping 1.2 hours from 40.1 hours from January to July of 1981 to an average of 38.9 hours for the corresponding period in 1982.

These 1982 levels remain considerably below the levels of the late 1970s.

Although lower than year earlier levels, considerable overtime continued in nearly every manufacturing industry in spite of the recession. The total hours of overtime worked in each week for the first seven months of 1982 were the equivalent of nearly 800,000 full-time jobs (784,680).

Overtime hours in manufacturing declined from 3.0 hours per week for the first seven months of 1981 to 2.4 hours for the same period in 1982; the decline was from 3.0 to 2.2 hours in durables manufacturing.

Average Weekly Hours Of Production Or Nonsupervisory Workers *

	Total Private	Manufacturing
First 7 Months		
1982	34.8	38.9
1981	35.3	40.1
Annual Averages		
1981	35.2	39.8
1980	35.3	39.7
1979	35.7	40.2
1978	35.8	40.4
1977	36.0	40.3

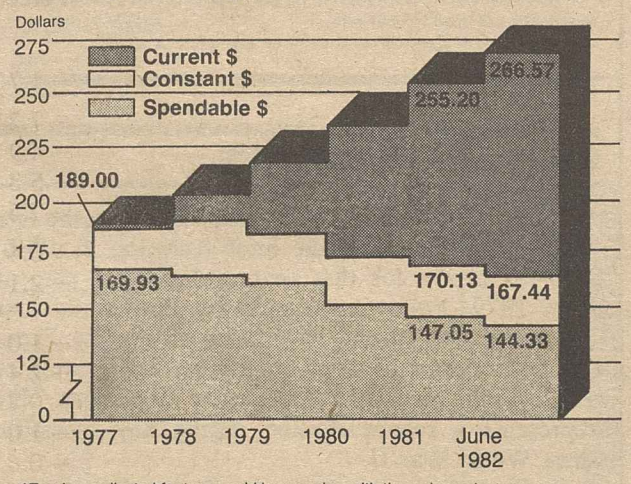
Overtime Hours of Manufacturing Production Workers and Equivalent Full-Time Jobs* January-July 1982

	Manufacturing
Average Weekly Overtime Hours	2.4
Average Number Production Workers	13,078,000
Total Overtime Hours Worked	31,387,200
Number of 40-Hour Full-Time Equivalents	784,680

* Source: Bureau of Labor Statistics

Decline in Buying Power

Average Weekly Earnings Versus Real Spendable Earnings*, Production or Nonsupervisory Workers, 1977-1982



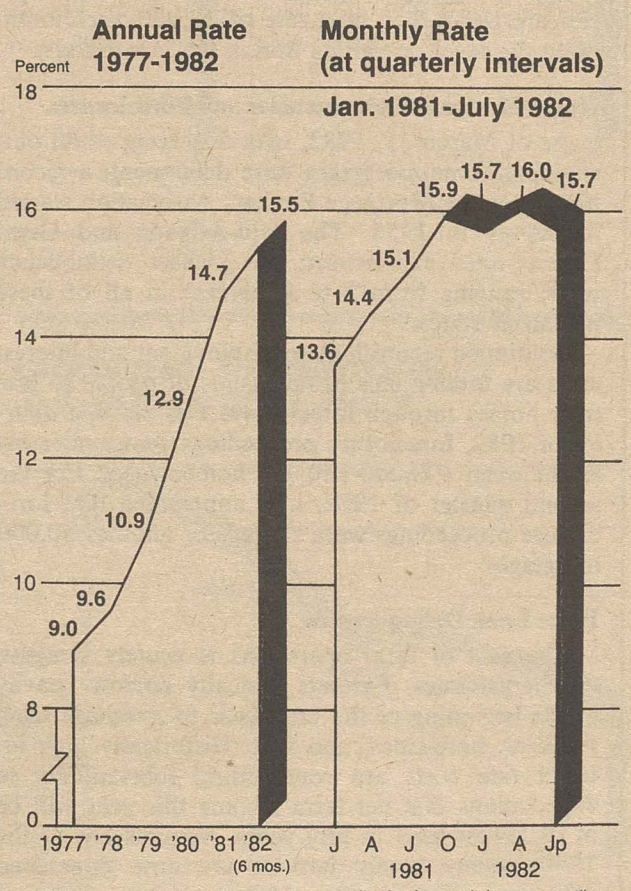
*Earnings adjusted for taxes paid by a worker with three dependents.
Annual Averages
Source: "Real Earnings," Bureau of Labor Statistics, Spendable earnings for June 1982 calculated by the AFL-CIO using BLS methods.

BUYING POWER DECREASES

The buying power of American workers' paychecks continues to decline in 1982 and remains considerably below the levels prevailing in the late 1970s. While gross average weekly earnings for workers in private industry increased by 4.5 percent from $255.20 in 1981 to $266.57 in June 1982, the real buying power of that increase actually declined by 1.8 percent as real spendable earnings were reduced by inflation and social security and federal income taxes.

This decline in workers' buying power erodes the living standards of workers and their families and contributes to the recession as reduced buying power leads to lower production and further layoffs. Since 1977, average real spendable earnings have dropped by 15.1 percent.

Mortgage Interest Rates*, 1977-July 1982



*Effective rate on conventional mortgages reflecting fees and charges as well as the contract rate.
p-preliminary
Source: Federal Home Loan Bank Board

POVERTY SHARPLY UP

The slack economy and extremely high unemployment are forcing more and more Americans into poverty. There were 31.8 million people living below the poverty level in 1981, an increase of 2.2 million over 1980, or 7.4 percent. The percentage of the total population living in poverty rose from 13.2 to 14.0 percent. The growing unemployment in 1982, and the cuts in the federal programs protecting the working poor, the unemployed, the disabled, and the destitute will add millions more to the poverty rolls in 1982.

Both the number of people in poverty and the poverty rate are already at their highest levels since the mid-1960s. The abrupt increase in poverty in 1981 represents the first sustained increase in poverty since the government started recording poverty data in the late 1950s.

Poverty is particularly widespread among blacks, children, and women who maintain families. More than one-third of blacks and women who maintain families live in poverty. One out of five children lives in poverty. The number of married-couple families who are poor increased 10 percent during Reagan's first year in office.

Persons Below the Poverty Level 1980-1981

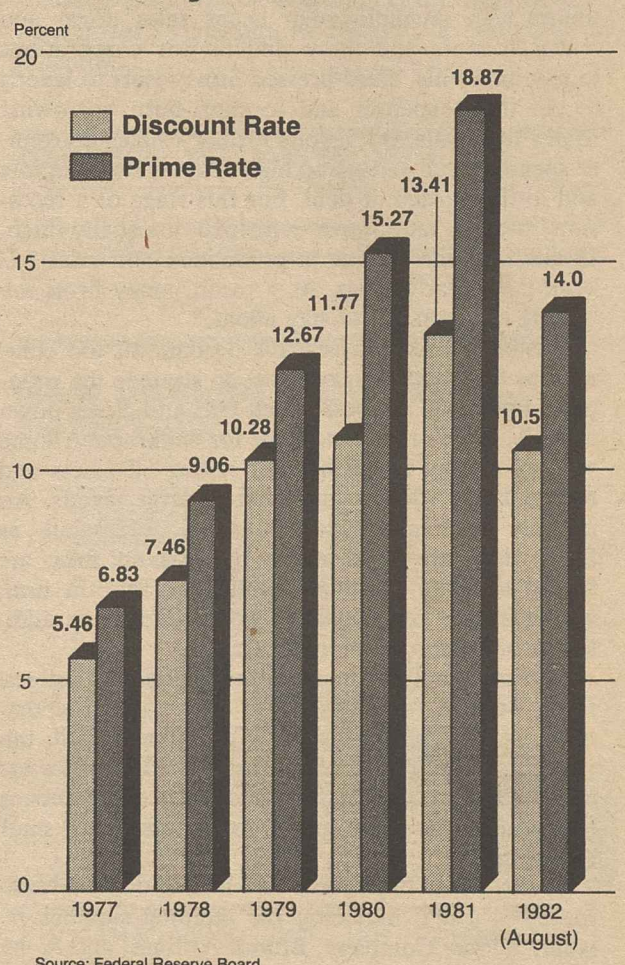
	Number (000's)	Poverty Rate (%)
1980	29,640	13.2%
1981	31,822	14.0
Increase	2,182	

Source: Bureau of the Census.

THE INTEREST RATE SQUEEZE

High interest rates and the Reagan-supported tight money policies of the Federal Reserve have contributed to the severity and duration of the recession. In the past, interest rates usually declined during the depths of a recession because the slack pace of economic activity reduced the need for financing. During this recession, however, interest rates have remained near their historic peaks. Only in the past

Prime and Discount Rates, 1977-July 1982



Source: Federal Reserve Board

two months—July and August—has economic weakness begun to produce signs of abatement.

The sensitive "prime rate"—the rate large banks charge on loans to their biggest corporate customers—remained at a prohibitively costly 16.5 percent from February until July, when it was marginally reduced to 15.5 percent. In mid-August it dropped to 14 percent. During Reagan's tenure, the prime rate had never previously gone below 15 percent. It averaged nearly 19 percent during 1981 and over 16 percent in the first half of 1982.

The Federal Reserve "discount rate" hit a new record high of 14 percent in May 1981. From last December until July it remained at 12 percent when the Federal Reserve slightly reduced the discount rate to 11.5 percent and then to 10.5 percent in mid-August.

Mortgage interest rates have remained at levels which have stymied housing construction and sales. At 15.7 percent in July 1982, the mortgage rate significantly exceeds its 13.6 percent level of January 1981 when Reagan took office.

Some short-term rates are at lower levels now than at the beginning of 1981, largely because of recession's impact on business investment loan demand.

A key reason for these high interest rates is the massive loss in revenue caused by Reagan's tax cuts—a revenue loss which disproportionately favors business and the wealthy. As a result of these cuts, the deficit and the Treasury's borrowing needs have soared. At the same time, however, the Federal Reserve is restricting the availability of funds in its attempt to achieve the slower rate of monetary growth both it and the Administration support.

High interest rates have added to the deterioration in equity that has resulted from Reagan's tax and budget cuts. In 1974, wages and salaries constituted 66 percent of total personal income. Personal interest income was 9.6 percent of total personal income. By July 1982, wages and salaries were down to 61 percent of personal income, while the interest income share had risen to 14.7 percent. Because interest earnings are predominantly paid to upper income groups, this shift reflects a growing trend towards fundamental imbalance and unfairness in the distribution of income.

BUSINESS AND CONSUMERS IN DISTRESS

Business Failures and Bankruptcies

Continued recession and high interest rates are driving companies of all sizes and in all industries and regions out of business more rapidly than at any time since the Great Depression. During the first half of this year, more businesses failed than during *all* of 1975, the previous worst postwar recession year. The business failure rate, considered in relation to the total number of businesses, is at its highest level since 1933, one of the worst years of the Great Depression.

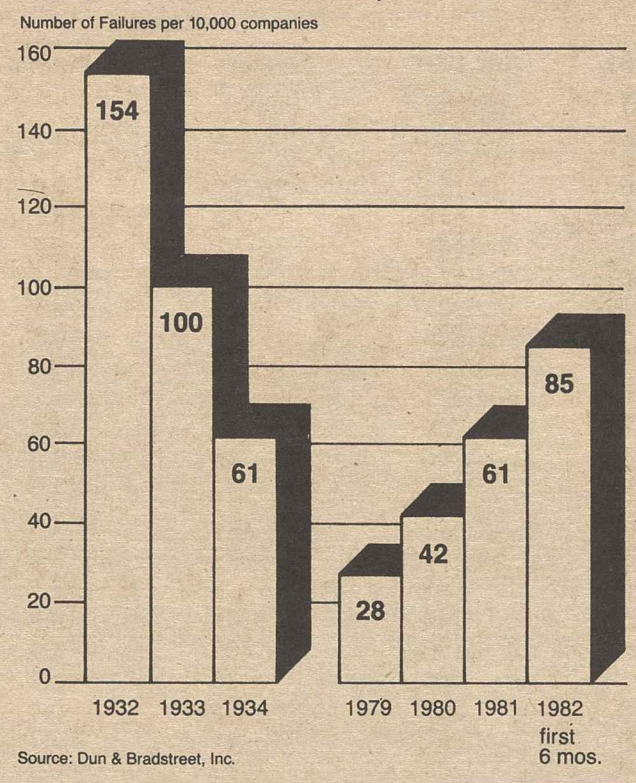
The depressed purchasing power caused by continued high unemployment keeps sales down and makes it more and more difficult for corporations to pay their bills. Hard-pressed firms resort to layoffs to cut their expenses and to short-term borrowing to pay their bills. But layoffs further worsen consumer spending and sales, and high interest rates rapidly add to the burden of debt. For this stage of a recession interest rates have remained unusually high. In addition, the decline in production and sales has been particularly steep. As a result, many firms are finding it impossible to stay afloat.

Business bankruptcies have become all too common as this recession continues to strangle the economy. For every business which fails and closes down entirely, three or four more file for bankruptcy. Some will try to stay in business by selling off assets and reorganizing, which usually entails large layoffs. An increase in bankruptcies threatens to escalate as firms which are owed money by bankrupt firms are forced to write off those debts. But this, in turn, weakens their own financial position, making additional bankruptcies more likely.

Because small businesses must pay higher interest rates, on less favorable terms than large corporations, small firms are particularly vulnerable in this recession. The House Small Business Committee has noted that extended high interest rates and recession constitutes "the death knell" for thousands of small businesses.

Several large firms have also had to declare bankruptcy in 1982, including the building supplies retailer, Wickes Company; Braniff Airlines; and A. M. International, an office equipment manufacturer which started in business in the 1800s.

Business Failures, 1932-1982



Source: Dun & Bradstreet, Inc.

Weakness in Financial Institutions

Sustained high interest rates have also had disruptive effects in the financial sector. Savings and loan institutions, in particular, have been hard-pressed to pay the high rates necessary to keep deposits, since they derive their income from low-yielding loans made when interest rates were much lower. More than eight out of every 10 savings and loan institutions suffered losses in the last half of 1981, and for the entire year, the industry lost over $4 billion.

The ripple effects of a bank failure or the collapse of a bond dealer can reverberate across many institutions and regions. The recent collapse of the relatively small Penn Square National Bank in Oklahoma City led to heavy loan losses among some of the largest New York and Chicago banks and resulted in the layoff of 400 employees by a Seattle bank which experienced large losses. One hundred thirty two credit unions with deposits in Penn Square were also affected.

By early August of this year, there had been 27 bank closings due to financial difficulties. This is more than during any other full year in the postwar period and compares very unfavorably with annual average bank closings of between five and eight for the decades of the Fifties, Sixties, and Seventies.

Personal Bankruptcies

Individual and family incomes have suffered greatly from high unemployment and the slack economy. Thousands are finding it impossible to sustain their living standard and have filed for bankruptcy as their indebtedness has swamped their ability to repay. Personal, non-business, bankruptcies are being filed at a rate of 38,000 per month, twice the level prevailing during the last decade.

Home Mortgage Delinquencies and Foreclosures

As of March 31, 1982, over 5 percent of all outstanding home mortgages were delinquent, a record high since the Mortgage Bankers Association started its survey in 1953. The Mid-Atlantic and Great Lakes states experienced the highest delinquency rates, ranging from 5 to 8 percent in all of these industrial states.

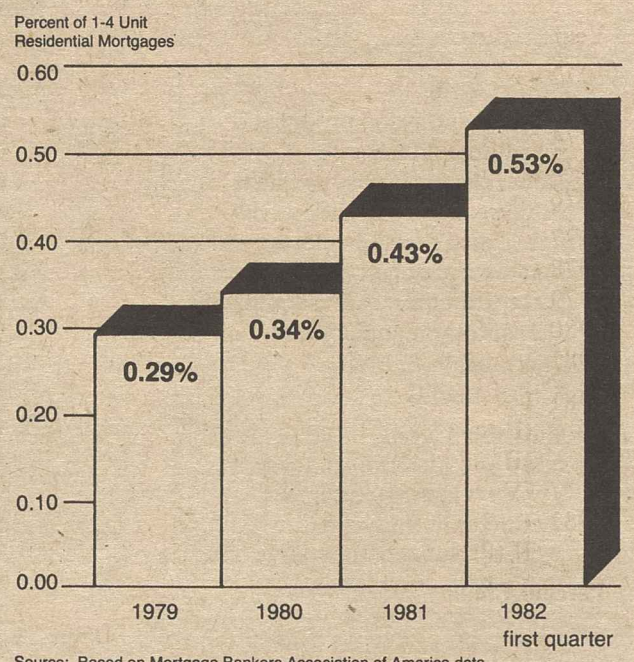
Continued record high unemployment and interest rates are forcing tens of thousands of people to lose their homes through foreclosure. For the first quarter of 1982, foreclosure proceedings were underway for between 100,000-140,000 homeowners. For the second quarter of 1982, it is anticipated that foreclosure proceedings were started for another 50,000 morgtages.

Farm Loan Delinquencies

The cost of farm operations is acutely sensitive to interest rates. Farmers typically borrow heavily at the beginning of the crop year to purchase seed, fertilizer, herbicides, and fuel. Historically high interest rate costs are contributing substantially to expectations that net farm income this year will be at its lowest level in fifty years. Reminiscent of the 1930s, many family farmers are now threatened with losing their livelihood. Thousands are "voluntarily liquidating" their farms. As of the end of May 1982, one-third of all Farmers Home Administration loans were delinquent.

Mortgage Foreclosures, 1979-1982

Annual Average of Percentage of Mortgages in the Process of Foreclosure



Source: Based on Mortgage Bankers Association of America data.

GROSS NATIONAL PRODUCT DOWN

The nation's total output of goods and services declined sharply in the last quarter of 1981 and the first quarter of 1982. While the preliminary data for the second quarter indicate a small improvement, more recent data raise doubts about any real gain. The gross national product (GNP) is a dollar measure of the nation's total output of goods and services. GNP, adjusted for inflation, fell at an annual rate of 5.3 percent in the fourth quarter of 1981 and 5.1 percent in the first quarter of 1982.

Although the Commerce Dept. reported an annual rate of increase of 1.3 percent in real GNP for the second quarter of 1982, this slight increase is entirely attributable to a slower rate of inventory liquidation. Current production was actually lower in the second quarter than in the first quarter of 1982.

During the first quarter of this year, with the recession spreading and high interest rates making it extremely costly to maintain existing inventory levels, businesses sharply reduced their inventories. Inventory liquidation continued in the second quarter, but since the decrease was smaller than in the first quarter, the net effect on the change in GNP was positive.

The nation's total output, considered at an annual rate, was lower in the second quarter of 1982 than it was in 1979.

Gross National Product 1979-1982

		Billions of 1972 $	Percent Change From Previous Period
1979		$1,479.4	
1980		1,474.0	– 0.4%
1981		1,502.6	1.9
		(Quarterly at Annual Rate)	
1981	I	1,507.8	7.9
	II	1,502.2	– 1.5
	III	1,510.4	2.2
	IV	1,490.1	– 5.3
1982	I	1,470.7	– 5.1
	II	1,475.3	1.3

Seasonally adjusted annual rate
Source: Dept. of Commerce, Bureau of Economic Analysis

CORPORATE PROFITS

Corporate after-tax profits rose rapidly in the late 1970s. As a result of the brief recession in 1980, after-tax profits for that year declined 4.4 percent from 1979. Following a recovery during the first quarter of 1981, profits have fallen off sharply. From the first quarter of 1981 to the second quarter of 1982, profits after taxes declined by 29 percent. This represents a record decline during any recession since World War II.

Profits before taxes have also declined more than during any previous postwar recession, dropping by 33 percent from the first quarter of 1981 to the second quarter of 1982. Partly as a result of the Reagan

Corporate Profits 1972-1982

Year	Profits Before Tax (Billion $)	Tax Liability (Billion $)	After-Tax (Billion $)	Dividends (Billion $)	Undistributed (Billion $)
1972	100.6	41.6	58.9	24.4	34.5
1973	125.6	49.0	76.6	27.0	49.6
1974	136.7	51.6	85.1	29.9	55.2
1975	132.1	50.6	81.5	30.8	50.7
1976	166.3	63.8	102.5	37.4	65.1
1977	194.7	72.7	122.0	40.8	81.2
1978	229.1	83.2	145.9	47.0	98.9
1979	252.7	87.6	165.1	52.7	112.4
1980	242.4	84.7	157.8	58.1	99.7
1981	232.1	81.2	150.9	65.1	85.8
1981 I	253.1	91.5	161.6	61.5	100.1
II	225.4	79.2	146.2	64.0	82.2
III	233.3	82.4	150.8	66.8	84.0
IV	216.5	71.6	144.9	68.1	76.9
1982 I	171.6	55.8	115.9	68.8	47.0
II (Preliminary)	168.7	53.7	115.0	69.3	45.7
Percent Change 1981 I-1982 II	**– 33.3%**	**– 41.3%**	**– 28.8%**	**+ 12.7%**	**– 54.3%**

Quarterly data at seasonally adjusted annual rates
Source: Dept. of Commerce, Bureau of Economic Analysis.

business tax cuts and partly due to recession—corporate income tax payments have fallen by almost 41 percent.

Corporate after-tax profits are divided between dividends and undistributed profits, or retained earnings. Retained earnings, along with borrowed funds or new stock offerings, are the sources of the funds for corporations to finance investment. Lower earnings undermine corporations' ability or willingness to invest and, of course, high interest rates affect the cost of investment. Since the first quarter of 1981, corporations experiencing shrinking before- and after-tax profits have chosen to increase dividend payments to stockholders rather than to invest. Payments to stockholders have actually increased by almost 13 percent.

INVESTMENT DROPS

Expenditures for new plant and equipment in real terms increased in 1981 before dropping off sharply in the first half of 1982. For the second quarter of 1982, the pace of business investment on an annual basis, was 3.3 percent lower than during 1981. Investment in new production machinery was down by 6.5 percent.

Reagan's massive tax giveaways to business have been an abysmal failure in stimulating business investment. Any argument that these cuts haven't been in place long enough to judge their effectiveness can be totally rejected. Retroactive to January 1981, the business cuts have had a year and a half to generate the promised investment boom. It hasn't worked.

In actuality the huge and unbalanced tax cuts have deterred business expansion. The resultant deficits and the Administration's support for a policy of slowing down monetary growth have pushed the cost of credit to levels which make investment prohibitively expensive. In addition, the Reagan recession has reduced business sales and cash flow as a source of funds for investment. The large proportion of existing capacity lying idle also serves to dampen business plans. Moreover, even during periods when the economy is growing, corporate tax cuts are not necessarily invested in new productive plant and equipment. The increased cash flow may be used to finance investment overseas, speculation, dividend increases, mergers, acquisitions, and relocations.

In the hysteria to cut taxes to promote capital formation, the underlying strength of investment was conveniently overlooked. By 1979, the share of real investment in real GNP rose to match its highest two peaks during the entire postwar period. Moreover, during the Seventies, as a whole, investment's share in GNP was higher than during the sixties.

HOUSING STARTS SLUMP

In 1977 and 1978, housing starts were averaging 2 million units a year. In 1981, housing starts fell to a 35-year low, with a total of only 1.1 million units. The persistence of prohibitively high mortgage interest rates has prevented any rebound in the housing industry.

In July of last year, only 1,040,000 units were started (at a seasonally adjusted annual rate). From August 1981, housing starts have remained below the one million mark except for May and July 1982 when government assisted multifamily housing starts (which the Reagan Administration is trying to phase out) produced temporary spurts. Averaging 975,000 for the first seven months of the year, housing starts in 1982 may total even fewer than in 1981.

Mortgage rates are expected to remain high under the dual squeeze of the tax cut-induced deficit and slow money growth. In addition, the Administration has mounted an all-out campaign to eliminate federally subsidized housing construction. Perhaps the worst blow was the recent presidential veto of housing in the urgent supplemental appropriation bill for fiscal 1982. This bill, in its initial form which was vetoed, would have provided $3 billion for a three-year housing program. The vetoed housing stimulus would have provided an estimated 200,000 newly built homes that would have been aided by the government through interest assistance for home buyers. In sum, outlook for the housing industry under Reagan's economic program remains grim.

INDUSTRIAL PLANTS IDLE

Industrial production fell by 10.3 percent between July 1981 and July 1982. The Federal Reserve Board index, which covers manufacturing, mining, and utilities, declined in every month but one during the Reagan Recession year.

The falloff in industrial production is accompanied by the drop in utilization of industrial plants and equipment. In July of 1982, more than 30 percent of the nation's manufacturing capacity was idle. This is the highest level of idle capacity since the depths of the 1974-1975 recession. In the iron and steel industry, unused plant and equipment exceeds 50 percent; and capacity utilization in the motor vehicles and parts industry is less than 60 percent.

AUTO PRODUCTION NOSEDIVES

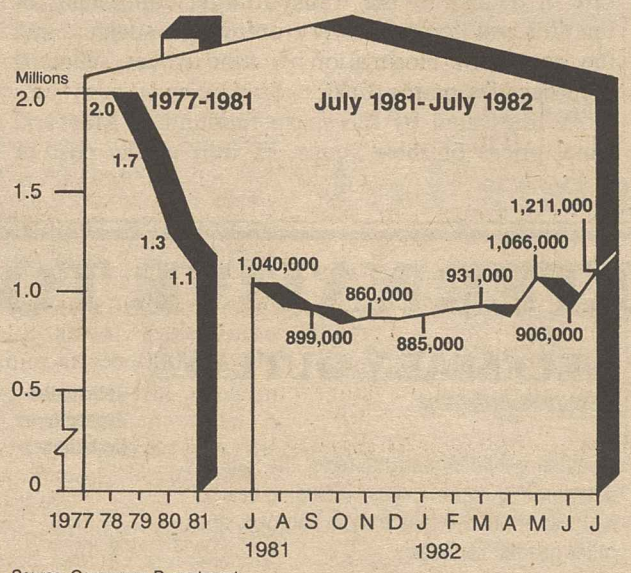
Domestic auto production continued its sharp nosedive in the first half of 1982, with output averaging 17 percent below 1967 levels.

Auto sales for June 1982 of U.S. producers were at their lowest level for the month since 1958. In recent months, sales have fluctuated up and down but remain well below historic levels. In the first half of the year domestic auto producers sold fewer than 3 million cars (an annual rate of less than 6 million) for the first time since the 1950s. Sales of imported cars accounted for 30 percent of the domestic market in June. Nonetheless, combined domestic and foreign auto sales in the United States were down 11 percent in June 1982 compared to June 1981.

FOREIGN TRADE IMPACT

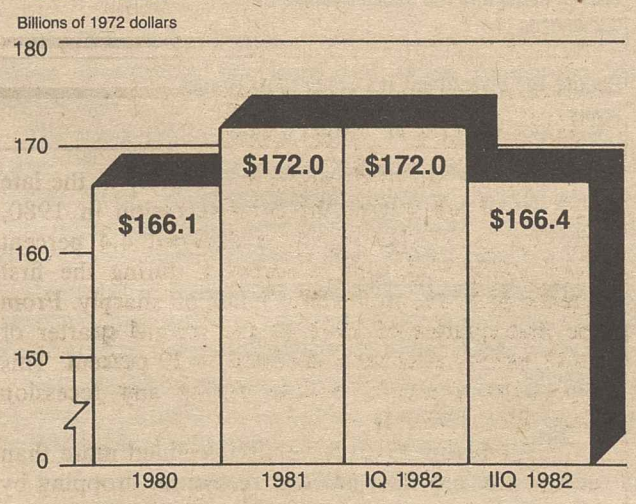
The U.S. trade balance suffered a record $40 billion deficit in 1981, and in the first six months of

Private Housing Starts



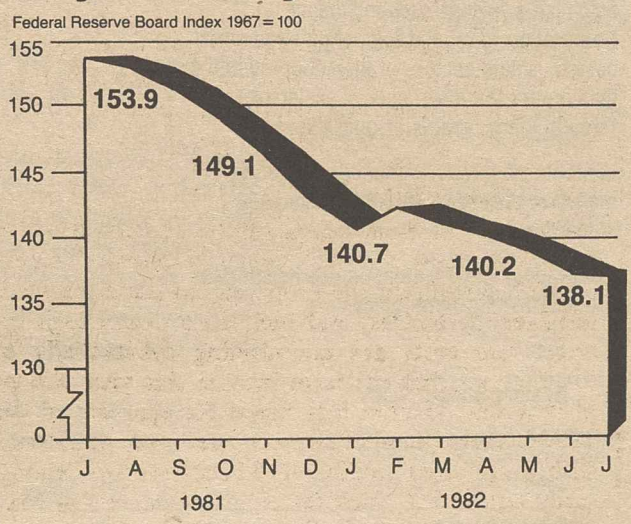
Source: Commerce Department.

New Plant and Equipment
Expenditures by U.S. Nonfarm Business, 1980-1982



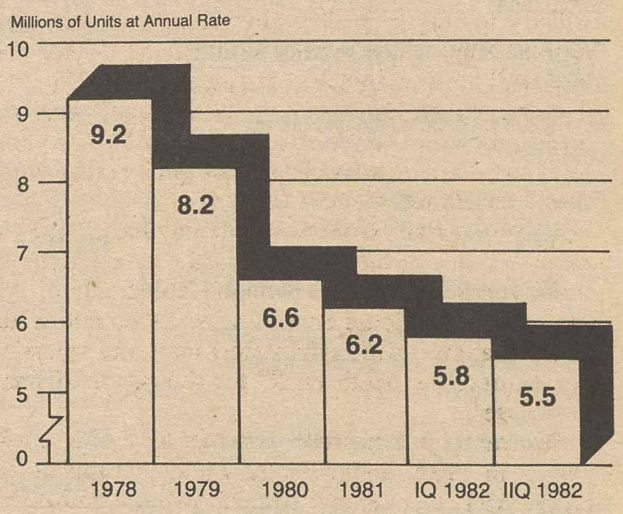
Source: Department of Commerce, Bureau of Economic Analysts.

Industrial Production, July 1981-July 1982



Source: Federal Reserve Board.

New Domestic Car Sales, 1978-1982



Source: Department of Commerce.

1982, the deficit was already over $18 billion in spite of a big drop in oil imports. Other nations increased their barriers to imports of U.S. goods and subsidized their exports to the U.S. market. The Administration took no effective action to halt this trend.

The Administration's money policies have raised the value of the dollar, encouraging imports and retarding exports. These monetary policies have raised the value of the dollar by 20 percent against the Japanese yen and 22.4 percent against the German mark between December 1980 and July 1982.

The dual impact of the U.S. recession and the tight monetary policy's impact on exchange rates had a particularly aggravating effect on the trade of manufactured goods. In 1981 imports of manufactured goods rose 13 percent, while exports of manufactured goods were up only 7 percent, leaving only a small net advantage for the export of U.S. manufactured goods. But in the first six months of 1982, U.S. trade trends in manufactured goods turned negative. Imports of manufactures rose 7 percent over the same period in 1981 and exports of manufactures actually declined 8 percent. The $6.6 billion trade surplus in manufactures in the first six months of 1981 became a $4.1 billion deficit in the same period of 1982.

INFLATION PERSISTS

For two consecutive months, the consumer price index (CPI) has increased at double-digit annual rates. After several months of moderation, the CPI-W increased 0.9 percent in May and 1.0 percent in June.

The same items which accounted for most of the prior slowdown in inflation were responsible for the jump in May and June. The one-month increase in home prices was 2.8 percent in May, followed by 2.3 percent in June. Consumer energy prices rose 1.6 percent in May, and 4.3 percent in June. Food rose 0.8 percent and 0.6 percent in May and June respectively.

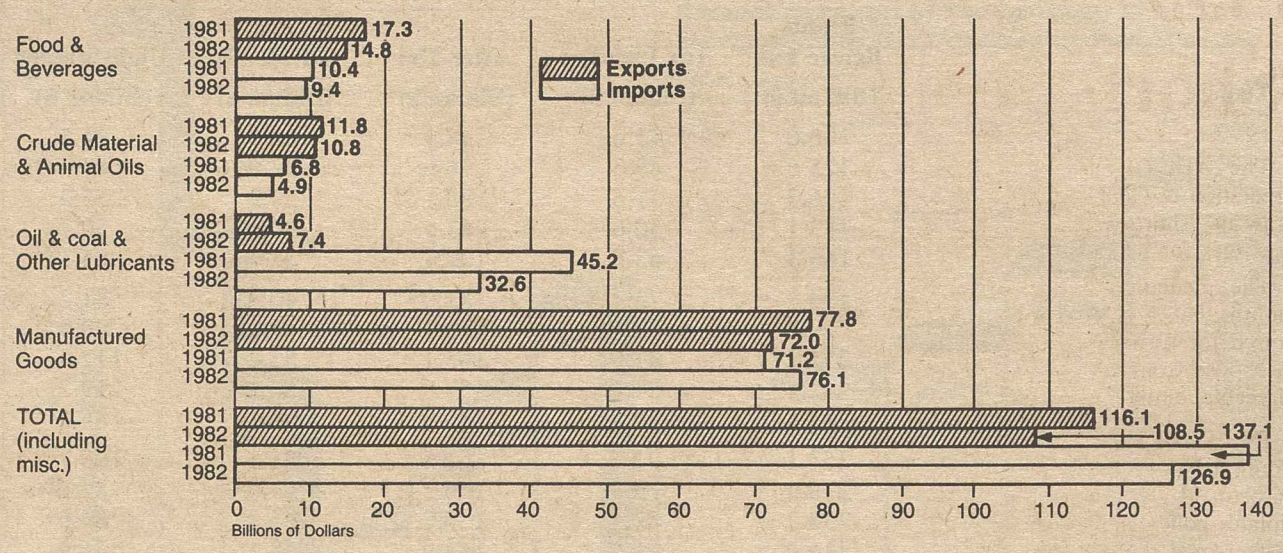
For the six-month period ending in June 1982, the overall consumer price index rose at a 4.9 percent seasonally adjusted annual rate. This compares to an 8.7 percent increase for the 12-month period ending in December 1981. The primary sources of the moderation during the most recent six-month period were: housing, which increased 7.5 percent compared to 10.0 percent in 1981; apparel, which increased 1.9 percent versus 3.6 percent in 1981; and transportation, which actually decreased at a 2.1 percent annual rate during the last six months, compared to an 11.3 percent rise during 1981. Food prices rose at a 5.5 percent annual rate during the last six months, up from the 4.0 percent rise posted in 1981. Still, this is much lower than the increases experienced in past years.

Some of this moderation in the overall rate of inflation was achieved by slamming the brakes on the economy. Much of the slowdown, however, was due to luck—the coincidence of a huge oil surplus along with bumper crops in agriculture. The 2.1 percent rate of decline in the transportation component of the CPI resulted primarily from the oil surplus, and the continued moderation in food prices reflected the abundant grain stocks.

As illustrated by the sharp rebound in May and June, prices of these items, as well as the cost of shelter, are highly volatile. Less volatile in price, but equally important as a necessity for living, is the cost of medical care. Double-digit price increases continued to plague consumers of medical care during the latest six-month period.

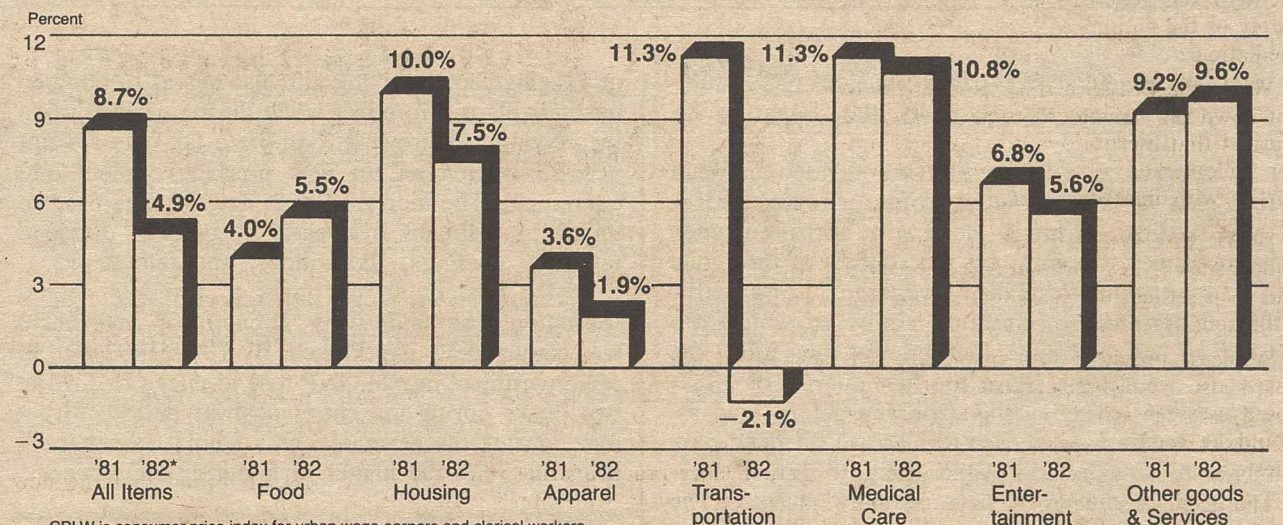
The recent sharp rebound in consumer prices demonstrates that engineering a precipitous drop in economic activity has failed to address the structural problems that generate the volatility in the cost of necessities.

Balance of Trade
Cumulative comparison of Jan-June 1981 to Jan-June 1982



Source: U.S. Department of Commerce.

Percent Changes In Consumer Price Index (CPI-W) 1981-First Half 1982
12 months ended December 1981, Six months ended June 1982 at seasonally adjusted annual rate



CPI-W is consumer price index for urban wage earners and clerical workers
Source: "Consumer Price Index," BLS.

THE AFL-CIO'S ALTERNATIVE TO REAGANOMICS

The Alternative provides for: increase revenues from undoing the worst aspects of last year's tax giveaways, scrutinizing defense outlays and financing any required increases with a corporate and individual surtax, restoration of newly proposed budget cuts, and establishing new jobs programs. It points out ways to raise additional revenues by closing specific tax loopholes:

INCREASED REVENUES

Increased Revenues from Revisions of Tax Law	Anticipated Revenues (in billions)
Cap the 1982 and 1983 individual tax cuts at $700 per family	$20
Repeal the leasing of tax credits by corporations	8
Repeal the new loopholes in the oil windfall profits tax	2
Modify the widened estate and gift tax provisions	1
Repeal the future indexing of tax rates	—
Total	$31 billion
Increased Revenues from Savings	
Scrutinize defense outlays and finance any required increases with a corporate and individual surtax	
Current proposed defense budget increase	$33
Total	$33 billion
Total of Increased Revenue & Savings	**$64 billion**

NECESSARY OUTLAYS

New Jobs Programs	Anticipated Expenditures (in billions)
Invest in public infrastructure for the nation's deteriorating communities, including sewer, highway, bridge, mass transit, railroad, and other needed facilities	$ 15
Invest in human capital through effective training of the unemployed and provide public employment opportunities for those who still cannot find work after lengthy searches	5
Encourage low- and moderate-income housing	5
Establish a Reconstruction Finance Corporation to rebuild the nation's industrial base by aiding sectors of the economy and of the country that need special assistance through loans, grants or guarantees	4
Limit harmful imports that aggravate the impact of the recession and weaken key industries	—
Extend unemployment insurance benefits to protect the long-term jobless	4
Total	$23 billion
Restore Budget Cuts	
Restore Proposed Budget Cuts	41
Total	$41 billion
Total New Jobs & Restoring Budget Cuts	**$64 billion**

ADDITIONAL REVENUES

Additional Revenue Raising Proposals Achieved by Closing Specific Tax Loopholes	Anticipated Revenues (in billions)
Change the foreign tax credit to a tax deduction	$10
Repeal the foreign tax deferral privileges	1
Repeal the tax deferrals of the Domestic International Sales Corporation (DISC)	2
Repeal the immediate write-off of oil and gas drilling costs and the special depletion allowances	6
Reduce the Investment Tax Credit to its former levels	7
Apply the lower corporate income tax rates only to corporations with profits of less than $100,000	9
Phase out the special capital gains exclusions	6
Repeal the special capital gains at death exclusions	6
Total	$47 billion
Total Additional Revenues from Closing Loopholes	**$47 billion**

Mediation Fee Plan Termed 'Shortsighted'

The AFL-CIO called on the Federal Mediation & Conciliation Service to withdraw its "shortsighted" proposal to charge user fees for its services.

The mediation agency announced last month that a $25 charge would be required for furnishing panels of arbitrators to choose from and an additional $30 for direct appointment of an arbitrator.

IN A LETTER to FMCS General Counsel Nancy Broff, AFL-CIO Research Director Rudy Oswald said the proposal violates policy spelled out in the 1947 law that created the agency.

"FMCS's services are not for the benefit of the parties to a labor dispute," he pointed out. "Those services are for the benefit of the public."

Oswald noted that Title II of the Labor Management Relations Act of 1947, which established the agency, cites "the advancement of the general welfare, health, and safety of the nation" as the goal of federal mediation.

While the FMCS claims its desire is to cut down on "frivolous" requests, Oswald warned that meritorious requests will also get sidetracked, particularly those by parties with limited resources.

"THE FACT that panels are requested and not used, just as lawsuits are brought and then settled, indicates that the dispute settlement system is working," he said.

Services provided by the mediation board also would be affected by the proposed user fee schedule. Payment of fees would be required when services are requested.

The agency estimates that the user fees would result in annual savings of about $490,000. Last year the FMCS furnished 33,194 panels and appointed 13,219 arbitrators. It anticipates that, with the imposition of the fee schedule, requests for services will probably decline about 25 percent.

The agency is accepting written comments on its proposal until Sept. 7.

Jobless Rate Tops 18% In Apparel Industry

Bushkill, Pa. — Unemployment in the domestic apparel industry soared to 18.1 percent in the first three months of 1982, Research Director Herman Starobin of the Ladies' Garment Workers told a meeting of the union's executive board at Unity House here.

Starobin attributed the steep rise to reduced orders from clothing retailers, high interest rates fostered by the Reagan Administration, and continuing imports of women's and children's wear. At least 17 percent of the industry's experienced workers still were without jobs in May, he added.

NO LAUGHING MATTER brings cartoon favorites to the picket line with local unions representing striking technicians and production workers at Group W Cable in Santa Monica, Calif., and the motion picture screen cartoonists who are on strike against major Hollywood studios. The five affected Theatrical Stage Employees local unions joined forces at the cable company's doors to dramatize the refusal of the Westinghouse Broadcasting affiliate to bargain with its employees and the insistence of the animated film studios on broad rights to contract out work to overseas studios and to non-union shops.

Court Upholds Labor Board On Order to Rehire Strikers

A federal appeals court upheld a 1977 National Labor Relations Board ruling that accorded striking employees of a Tennessee firm status as unfair labor practice strikers even though they began their strike to secure recognition of their union.

The U.S. Court of Appeals for the District of Columbia Circuit agreed with the board that the strike was converted to an unfair labor practice strike when the company engaged in widespread violations of federal labor law serious enough to warrant a remedial bargaining order. Unfair practice strikes are entitled to immediate reinstatement if they offer to return to work.

A STRIKE for recognition is generally treated as an economic strike. Economic strikers who seek to return to their jobs are not entitled to reinstatement under the law if they have been replaced by strike breakers.

The case involved John Cuneo, Inc., of Chattanooga, a manufacturer of fire sprinkler systems, and Road Sprinkler Fitters Local 699, which secured a majority of signed authorization cards asking for union recognition and designating the union as bargaining agent. The company refused to recognize and bargain with the union and embarked on a series of unfair practices, including illegal interrogation and coercion of union supporters.

After the workers struck the plant in September 1977, management hired a Pinkerton guard who, together with the company's labor counsel, began photographing the picketers.

The strike continued until mid-november when the union sent to management unconditional offers to return to work by seven of the strikers. Although vacancies existed, none of the seven was immediately reinstated.

TWO WERE rehired in February 1978, but were told they must not talk about the union while on the job. The two also were warned that they would be fired if they were late for work three times. The NLRB found that the new tardiness rule applied only to the reinstated workers.

In finding that the widespread management violations had changed the strike into an unfair practice strike, the NLRB ordered the company to offer immediate and full reinstatement to those who sought to return, making them whole for any lost earnings back to mid-November 1977.

The appeals court said that it had no trouble affirming the agency's findings.

Jobless Rate Exceeds 10% In 18 States

Rising unemployment was experienced in nearly every state in June as 47 states and the District of Columbia reported higher jobless rates that month compared to a year earlier.

Eighteen states reported joblessness of 10 percent or higher, the Bureau of Labor Statistics said, in a month when the national unemployment rate hit a seasonally adjusted 9.5 percent. State and local rates are not adjusted for seasonal variation.

THE HIGHEST jobless rate was in Michigan, where 14.3 percent of the workers were jobless in June. A year earlier, the rate was 11.1 percent.

After Michigan, the highest rate was 13.9 percent in Alabama, which compared with a year-earlier level of 11.4 percent. Others with rates over 10 percent included Illinois, 11.7; Indiana, 11.5; the District of Columbia, 11.3; Indiana, 11.5; Ohio, 12.3; South Carolina, 11.5; Washington, 12.4; and West Virginia, 12.3.

Unemployment data for Iowa and Kentucky were not available, and therefore rates for those states were not included in the report.

States with heavy industry remained hardest hit by the recession. Jobs in manufacturing, transportation and public utilities, and construction were lost in most states. On the other hand, services industries showed job increases in most areas.

OVER THE YEAR ended in June, employment fell by between 100,000 and 200,000 in five states—Illinois, Indiana, Michigan, Ohio, and Pennsylvania. In contrast, employment expanded in Texas, 145,000, and Florida, 35,000, due largely to gains in trade and service industries.

North Dakota had 4.7 percent unemployment in June, the lowest of any state.

Among the 208 metropolitan areas for which June 1982 data were available, 80 had jobless rates of 10 percent or more. Rockford, Ill., and Modesto, Calif., had the highest rates—19.1 and 19 percent, respectively. The lowest rate was in Stamford, Conn., 3.4 percent.

Garment Union Boosts Dues To Expand Organizing Effort

Atlantic City, N.J.—A dues increase and per capita tax boost keyed to expanded organizing efforts were approved by the 31st convention of the United Garment Workers.

Dues will go up in five annual 50-cent increments each Jan. 1 beginning in 1983, under the action adopted by the delegates. Minimum dues will rise from a current $5.45 per month to $7.95 per month.

A TOTAL $1.50 per capita tax increase over the five years will see the tax rise 30 cents each Jan. 1 from the current $3.80 to $5.30 by 1987.

William O'Donnell, the union's president, was elected to his second five-year term and Sec.-Treas. Calvina S. Little to her first full term. Little has held the office since 1978 when she was named to the post after the retirement of Catherine C. Peters.

All members of the union's executive board were also re-elected.

In his remarks to the convention, O'Donnell stressed the need for increased organizing efforts and political action, particularly on the local level. He urged the union's members to "register and then get out to vote because many times your vote can be the deciding vote."

O'DONNELL reminded the delegates that Election Day will be "Solidarity Day II" for union members to help prevent the Reagan Administration "from taking away the gains we have established through the years."

AFL-CIO Sec.-Treas. Thomas R. Donahue, in an address to the delegates, observed that the labor movement is "fighting an economic policy that is a proven loser in other countries as well as our own, with only broken promises of upturns."

Social programs unions fought for and won over the decades are "down the drain," Donahue said, emphasizing that "the ouly thing that is going to solve the problems of the country is putting people back to work."

HE URGED the delegates to be active in the elections "to try to counteract the President's programs that are depriving the working men and women, those desiring education and senior citizens of their benefits."

On behalf of AFL-CIO President Lane Kirkland, Donahue also accepted the union's Joseph P. McCurdy Memorial Award for outstanding achievement.

The delegates adopted a series of resolutions scoring attempts to gut the social security system, the Davis-Bacon and Service Contracts Act and other programs of importance to workers, including occupational safety and health.

Government Employees Re-Elect Ken Blaylock

New York—Kenneth T. Blaylock won re-election as president of the American Federation of Government Employees by a decisive margin over three opponents.

Delegates to the AFGE convention here gave Blaylock 120,529 votes to 48,187 for Carl Sadler, 35,113 for Virgel Miller and 1,993 for Douglas Cook.

Blaylock, 47, will be starting his fourth two-year term.

Shop Stewards' Tribute Set for Union Label Week

The union label and the contributions of shop stewards will get special recognition throughout the organized labor movement during the first week of September.

The week that includes Labor Day has traditionally been designated "Union Label Week" by the AFL-CIO and the federation's Union Label & Service Trades Dept., which promotes a variety of local observances including parades, fairs and cooperative programs with local employers and merchants. Many local governments issue "Union Label Week" proclamations for their cities or states.

Department Sec.-Treas. John E. Mara said the week helps encourage consumers to buy union products and use union services and to look for labels and shop cards as a sign of quality.

National Shop Stewards Week was set for the same period by the AFL-CIO Executive Council to recognize stewards as "the union member's first line of defense against arbitrary action by management."

Hard-working stewards play a vital role in achieving "justice on the job," the council said, and it urged both Congress and local governments to join organized labor in endorsing the week of recognition.

Apprenticeship Chairman Quits, Blasts Neglect

The chairman of the Federal Committee on Apprenticeship has resigned with a sharp protest over what he called the Reagan Administration's "abysmal record" of "disinterest, inactivity and neglect" for apprenticeship training programs.

In a strongly worded letter to Labor Sec. Raymond J. Donovan, Dr. Robert W. Glover, a professor at the University of Texas, said he was giving up the post he has held for four years because under Donovan's administration the committee "has become no more than a facade."

"The bald truth is that after a year and a half into this Administration, the Dept. of Labor has not achieved any positive accomplishments in apprenticeship training," Glover told Donovan.

"Indeed," he charged in the letter, "there is only a litany of losses for apprenticeship."

Glover told other members of the committee in a letter announcing his resignation that he felt the department's "neglect" of apprenticeship "has reached such a high level that I feel it is ludicrous to continue to serve as chairperson of the committee." He urged that national apprenticeship efforts be supported regardless of Labor Dept. sponsorship.

Glover pointed out that for more than six months almost half of the memberships of the FCA were vacant waiting for Donovan's appointments and that the committee's budget was eliminated more than a year ago, yet no new financing arrangements have been made.

ON JULY 1, Glover said, the committee's charter was allowed to lapse "not because of any conscious decision within the department, but because the charter renewal papers have taken an extraordinarily lengthy time moving through the chain of command within the Employment & Training Administration."

Twenty-two of the 25 members of the committee represent the private sector, so it is "ironic" Glover said that at the very time the department has been pushing greater private sector action, the secretary's office has been "incapable of working effectively with its own private sector advisory group."

Administration rhetoric about promoting training rather than income maintenance programs has not been matched by action, Glover charged.

HE ALSO reminded Donovan that relative to other Labor Dept. training activities, apprenticeship takes little time or government money because it has such wide private support and funding.

The Labor Dept. "has all but wiped out almost every funded activity" including apprenticeship information centers and targeted outreach programs, which will mean that women and minorities in particular will have less information about apprenticeship and fewer chances to get training, Glover said.

These and other programs were cut or severely damaged "across the board without respect to program performance," he told Donovan.

Glover said the Administration's attempts to revise the Davis-Bacon prevailing wage law "would have undermined apprenticeship in the construction industry and replaced apprentices with helpers for whom there is no training requirement."

AMONG THE other casualties, he noted, are nearly all apprenticeship research programs and the state and national apprenticeship data system. Only one "badly mismanaged" research program remains, and figures on the number of apprentices now depend on "an inferior data system" operated by the Equal Employment Opportunity Commission, he observed.

Glover also warned that the department's general aptitude test battery, widely used by apprenticeship sponsors, is also in danger of being cut.

He said Labor Dept. officials discuss "decentralizing" apprenticeship programs to the states without offering any "coherent" plan for accomplishing that goal and maintaining the essential minimum national standards that safeguard the "transferability of skills" within trades in a mobile society.

The Employment & Training Administration has been "demoted" to the bottom of the department's organization chart, Glover asserted, and many positions, including state and regional directorships, have not been filed.

BUREAU OF Apprenticeship Training staff has been cut, and the remaining workers are under constant threat of furloughs or layoffs, Glover said, stressing that "it is difficult to imagine a worse environment for accomplishing anything constructive."

Glover urged Donovan "to reconsider the apparent low priority you have placed on apprenticeship" and the committee.

If apprenticeship is to meet the nation's needs for skill training, it must be "significantly expanded" and its "orphan status" in the Labor Dept. must end, Glover said.

Emergency Boards Propose Settlements in Rail Disputes

Two presidential emergency panels appointed in separate disputes involving the United Transportation Union, the unaffiliated Locomotive Engineers, and the nation's freight carriers recognized the validity of most union arguments in the two cases.

The factfinding boards, however, said both unions should accept the pattern wage settlement already agreed to by 11 other unions. Both the UTU and the BLE had sought variations of that settlement.

THE PANELS rejected the carriers' position that the general wage and cost-of-living increases should not be applied to particular items of employee compensation such as overmiles, arbitraries, and special allowances.

The panel in the UTU dispute supported the industry's proposal for elimination of cabooses from trains but only in certain circumstances. The board recommended that the parties negotiate guidelines on the national level to implement the recommendation.

The union maintains that eliminating cabooses could be hazardous to workers and the public.

A recommendation involving the Engineers said that the union should be permitted to negotiate for adjustments in pay for its members because of crew modifications, but should not be allowed to strike if agreement is not reached.

THE BOARDS also urged establishment of a study commission for a review and negotiation of basic pay concepts and work rules in the industry. While the carriers had asked for this and the board endorsed the request, it rejected the proposal that all commission findings be submitted to binding arbitration.

The panel also said meal allowances should be raised to reflect increases in the cost of living.

Under the National Railway Labor Act, the two emergency boards were named to study impasses that had arisen in the disputes.

The BLE, which had called a nationwide walkout in July before President Reagan issued an order for a "cooling-off" period, based on the panel's recommendations does not materialize.

A BOARD was appointed in the UTU case after the union announced a selective strike against nine carriers. The UTU now has until Sept. 20 to resolve issues, or call a strike.

Both boards were made up of the same people—Dr. Arnold Weber of Colorado University, chairman; Jacob Seidenberg, a professional mediator and attorney from Falls Church, Va., and Prof. Daniel Quinn Mills of the faculty of the Harvard School of Business Administration.

Kirkland Protests Makeup of Social Security Panel

AFL-CIO President Lane Kirkland has objected to the newly designated Advisory Council on Social Security and urged Health & Human Services Sec. Richard S. Schweiker to appoint three employee representatives to rectify what "seems to be a violation of our understanding."

In an Aug. 20 letter to Schweiker, Kirkland noted that he had agreed, at Schweiker's request, to serve as the official employee representative on the National Commission on Social Security. "It was your suggestion that the national commission also serve as the advisory council," Kirkland said.

Thus, Kirkland expressed concern at learning, from letters sent to other members of the commission, "that you are about to appoint members to a newly designated advisory council, which would focus on Medicare."

"I am particularly concerned that this advisory council is being appointed without official employee representation, which is contrary to longstanding practice," Kirkland wrote.

He recommended that Schweiker name three employee representatives: Alvin E. Heaps, president of the Retail, Wholesale & Dept. Store Union; Bert Seidman, director of the AFL-CIO Dept. of Social Security, and Howard Young, director of the Dept. of Social Security of the Auto Workers.

Congress Halts Payments For Hospital Union-Busting

(Continued from Page 1)

represented a "neutral" policy by the government on labor-management issues.

IT'S NOT "neutral," Kirkland protested, to use federal funds to discourage workers from joining unions.

Service Employees President John J. Sweeney told a news conference that professional union-busters have been hired by management in at least 75 percent of union organizing campaigns at health care institutions with billings averaging about $100,000 a campaign.

The SEIU and other unions in the health care field mounted a campaign to block such payments.

Chairmen of four House committees and subcommittees concerned with health care costs wrote a letter of protest to HHS Sec. Richard S. Schweiker. And Rep. Charles B. Rangel, chairman of a Ways & Means subcommittee, achieved committee approval for legislation restoring the ban on the use of Medicare funds to fight unions.

UNDER THE procedures agreed to in the House-Senate conference on the tax bill, measures approved by the Ways & Means Committee could be included in the final version of the bill even if they had not been acted on by the House or Senate.

That strategem made it possible to include language reversing the Administration policy in a veto-proof bill. The new policy will take effect when the President signs the tax bill.

August 31
Second Anniversary of Solidarnosc

Last fall Solidarnosc's leaders asked Jan Sawka to create the official Solidarnosc poster for reproduction at Christmas. They asked for a work of art that expressed the hopes of the Polish people.

His beautiful poster was on the press December 13 when the Polish government cracked down on Solidarnosc. The posters were destroyed.

Sawka has recreated this work and asked the AFL-CIO to pick up where Solidarnosc left off. Proceeds from the sale of the poster go to the AFL-CIO Polish Workers Aid Fund, a major source of assistance to Poland's free trade union movement.

Don't just remember. Help.

AFL-CIO Polish Workers Aid Fund
P.O. Box 37522
Washington, D.C. 20013

Please send _____ copies of Jan Sawka's poster.

Enclosed is a check for $_____, payable to the AFL-CIO Polish Workers Aid Fund.

1 poster @ $7.50
2-99 posters @ $6.00 each
100-499 posters @ $5.00 each
500-999 posters @ $4.50 each
1,000 or more posters @ $4.00 each

Name _____ Title _____

Address _____

City _____ State _____ Zip _____

Poland's Taste of Freedom

DURING THE WARM, dry summer of 1980, the wave of labor unrest that swept Poland came late to Gdansk. Strikes started on July 1 of that year, in the railroad yards of Lublin, near the border of the Soviet Union, to Warsaw and other industrial cities before leaping north to the Baltic seaports.

The communist regime of Edward Gierek sent its agents flying from city to city in a typical attempt to buy off the strikers. For a short period, it seemed calm, and foreign journalists who visited the shipyards in Gdansk were told all was well.

Then, a boss committed a fundamental error. He fired Anna Walentynowicz, a middle-aged crane operator who had long worked to form an independent trade union. Within an hour, workers young enough to be her sons had hand-lettered signs paraded through the yard: "Anna has been fired."

Men and women throughout the yard put down their tools and gathered under the trees near the commissary. It was time to strike, they agreed by consensus. They had other grievances beyond the unfair treatment of a sister.

Word spread throughout Gdansk and its neighboring cities that the Lenin yard was shut down. Other workers went on strike.

THE MESSAGE reached Lech Walesa, an electrician who had been fired from the shipyard some years before for agitating to form a free union. He hitched a ride on a small truck and went to the waterfront. Friends hoisted him over the wall.

By consensus, again, Walesa was chosen strike leader. The history of Poland and East Europe, at that point, began to change.

Polish workers for nearly 20 years had kept their communist masters nervous by taking their grievances to the streets in demonstrations and strikes. What made the summer of 1980 different was that the workers kept their strikes peaceful and moved beyond the stage of protest to the crucial stage of organization.

In August 1981, while hundreds of workers peacefully occupied the shipyards, Walesa and his committee negotiated with representatives of government. Elected worker delegates from the entire seacoast region sat in permanent session until the negotiations ended with the historic recognition of the right of Solidarnosc, a new federation of free trade unions, to function in a communist society for the first time.

THE COMMUNISTS have since welched on their agreement. Walesa was thrown in jail last December and is still confined. The military is in control in Poland because the Communist Party has, in effect, been overturned.

So far, the Army rulers have found they can keep order, but they cannot make people work. The military, like the communists, has discovered that once Poland tasted the basic rights to assemble and to organize freely, coercion is no longer a viable tool.

The Cardinal Archbishop of Poland warned the military a few days ago that the right to organize is a "basic right" and that no one "can deprive us of that right."

With this second anniversary of the founding of Solidarnosc coming so close to American Labor Day, it is a good time to ponder this history.

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Immigration Reforms Needed To Halt Employer Exploitation

By Press Associates, Inc.

THE UNITED STATES, a nation of immigrants, always has been a strong magnet for enterprising men and women seeking economic opportunity and political and religious freedom.

Benefits to the nation resulting from the ingenuity and hard work of its immigrants are readily apparent in any reading of U.S. history.

The successes and benefits documented for immigration present another, less proud picture.

ILLEGAL IMMIGRANTS come to the United States for primarily the same reasons as legal immigrants—jobs and a chance for economic and social success. Jobs are the magnets that override the dangers of illegal entry and make the risk worthwhile.

But once here the illegal immigrant lives in fear of discovery and deportation. This makes undocumented workers easy targets for exploitation by unscrupulous employers who pay substandard wages and force them to work under unfair conditions.

The illegal immigrant does not enjoy the protections of most American workers, such as fair labor standards, the right to organize, or job health and safety laws. Nor does he have the protective welfare benefits in hard times, such as unemployment compensation, food stamps or help with housing, medical expenses and other necessities of life.

IN A RECENT paper, former Labor Sec. Ray Marshall, who served on the Select Commission on Immigration & Refugee Policies created by Congress in 1979, described some of the problems created by illegal immigration.

The "costs," Marshall said, include "the perpetuation of low-wage, low-productivity job systems that lower the average level of productivity in this country. They include the rebirth of 19th Century garment district sweatshops in New York and other metropolitan areas. They include mounting political and ethnic tensions and sporadic outbursts of xenophobia; strained bilateral relations with sending nations, especially Mexico; and increasing pressure on the integrity of our immigration and labor laws.

"MOST OF ALL," Marshall said, "the costs include increased inequality of income between advantaged and disadvantaged persons in this country—inequality resulting from the increased job competition and depressed wages and working conditions for the almost 30 million low-skilled U.S. workers (especially the 15 million earning $3 an hour or less) who compete directly with illegal immigrants."

Conservative estimates by the Census Bureau put the number of illegal aliens in the United States at between 3.5 to 6 million. Since the early 1960s, there has been a tenfold increase in the number of illegal aliens apprehended yearly, from under a hundred thousand to a million.

With over 12 million Americans officially unemployed or too discouraged to look for work, it might be easy for the United States to seize such a moment for an hysterical and inhumane reaction to the problem of surging illegal immigration.

So it is commendable—and undoubtedly a reflection of the character and history of the nation—that the current immigration reform underway in Congress is largely based on the careful study and recommendations of the Select Commission.

THE SENATE recently passed an immigration reform measure, introduced by Sen. Alan Simpson (R-Wyo.), a member of the Select Commission, that follows most of the commission's recommendations. This includes an amnesty program and sanctions against employers who knowingly hire illegal aliens.

The amnesty program would put a halt to excesses resulting from mass round-up and deportation programs, and employer sanctions would punish unscrupulous employers and help shut off the job magnet for illegal aliens. Labor has strongly supported both provisions.

Unfortunately, the Senate strayed from the commission's recommendations and approved an expanded temporary foreign worker, or H-2, program. This program permits the importation of labor in job areas, such as agriculture, that the federal government decides do not have adequate American workers to fulfill labor needs.

As Marshall pointed out, such programs tend to depress wages for low-skill jobs, decrease productivity by encouraging employers to postpone capital improvements and encourage a permanent subclass in the American workforce.

Hopefully, Congress will correct the H-2 program provisions and pass a workable immigration reform bill which is fair to illegal aliens, the nation and American workers.

AFL-CIO LEGISLATIVE ALERT!

Congress Is Back Home; Now Is the Time To Stop The Program-Slashing Balanced Budget Amendment

The time for action to stop the balanced budget Constitutional amendment is now. Right-wing backers of the amendment already have pushed it through the Senate. They will try to push it to a House vote after the recess.

Congress is back home for the Labor Day recess, so now is the time to contact your Representative at his or her district office (consult your local yellow pages under Government, U.S., House of Representatives). Make a personal visit, a phone call, or drop a postcard in the mail now.

Urge your Representative:

1) Not to sign the petition to discharge the amendment from the House Judiciary Committee. If your Representative already has signed on (see chart below), ask him or her to sign off the list.

2) To vote against the amendment if it should reach the floor.

The chart below provides the most recent information available about each Representative's position on the amendment.

BACKGROUND: HOUSE ACTION

1 Introduced: The balanced budget amendment was introduced last year in the House by Rep. Ed Jenkins (D-GA). It currently has at least 225 cosponsors; 291 are needed for passage.

2 Stalled in Committee: The amendment was reported to the House Judiciary Committee, where it stalled due to the opposition of key members of the panel. The committee may report a less harmful statutory version of the amendment--not a Constitutional amendment.

3 Procedural Battle on "Discharge" Petition: Right-wing backers of the balanced budget amendment are trying to "discharge" it from the Judiciary Committee. Because discharge is a highly unusual procedure in Congress, it is granted only under strict rules of timing and debate. A discharged bill may come to the floor only on the second or fourth Monday of a month, and a majority of Representatives must have signed the discharge petition 7 legislative days prior to that.

Thus if the right wing can get 218 Representatives to sign the discharge petition by Sept. 16 (currently they have 201 signatures), they may be able to bring the balanced budget amendment to the floor on Sept. 27.

Balanced Budget Amendment Hurts Social Security

The balanced budget Constitutional amendment may seem appealing to politicians, but its appeal vanishes when you see what it would do to the economy. That's why the overwhelming majority of independent economists, including several Nobel prize winners, oppose the measure.

1) Balanced Budget Amendment = Big cuts in Social Security and other programs

The Congressional Budget Office warns that the balanced budget amendment would force $170 billion in budget cuts or tax increases in its first year. Congress probably would be unwilling to boost taxes that much, and budget cuts of that magnitude would make it impossible to rule Social Security off-limits.

2) Balanced Budget Amendment = A sagging economy

A study prepared by AFSCME, using the independent Data Resources, Inc. economic model, shows that the balanced budget amendment would cause a loss of $519 billion in total U.S. economic output during its first three years.

3) Balanced Budget Amendment = Higher unemployment

The AFSCME study projects that the balanced budget amendment, if it took effect in 1985, would add 2,650,000 Americans to the unemployment rolls by 1987.

THREE INDICATORS OF YOUR REPRESENTATIVE'S POSITION ON THE BALANCED BUDGET AMENDMENT

COSPONSORSHIP of the Balanced Budget Constitutional Amendment
W = Has cosponsored, Wrong

DISCHARGE petition
W = Has signed petition, Wrong
R = Will not sign petition, Right
U = Representative is Undecided
? = Position unknown

FLOOR vote: Member's current plan of action if amendment should reach the House floor
W = Will vote in favor, Wrong
R = Will vote against, Right
U = Currently undecided
? = Position unknown

	Cosponsor	Discharge	Floor
ALABAMA			
1 EDWARDS, JACK (R)	W	W	W
2 DICKINSON (R)	W	W	W
3 NICHOLS (D)	W	W	U
4 BEVILL (D)	W	R	?
5 FLIPPO (D)	W	W	U
6 SMITH, ALBERT (R)	W	W	W
7 SHELBY (D)	W	W	W
ALASKA			
1 YOUNG, DON (R)	W	W	W
ARIZONA			
1 RHODES (R)	-	?	?
2 UDALL (D)	-	R	U
3 STUMP (D)	W	W	W
4 RUDD (R)	W	W	W
ARKANSAS			
1 ALEXANDER (D)	-	R	R
2 BETHUNE (R)	-	W	W
3 HAMMERSCHMIDT (R)	W	W	W
4 ANTHONY (D)	-	R	W
CALIFORNIA			
1 CHAPPIE (R)	W	W	W
2 CLAUSEN (R)	W	W	W
3 MATSUI (D)	-	R	R
4 FAZIO (D)	-	R	R
5 BURTON, JOHN (D)	-	R	R
6 BURTON, PHILLIP (D)	-	R	R
7 MILLER, GEORGE (D)	-	R	R
8 DELLUMS (D)	-	R	R
9 STARK (D)	-	R	?
10 EDWARDS, DON (D)	-	R	R
11 LANTOS (D)	-	R	R
12 MCCLOSKEY (R)	W	W	U
13 MINETA (D)	-	R	R
14 SHUMWAY (R)	W	W	W
15 COELHO (D)	W	R	W
16 PANETTA (D)	-	R	?
17 PASHAYAN (R)	-	?	?
18 THOMAS (R)	W	W	W
19 LAGOMARSINO (R)	W	W	W
20 GOLDWATER, (R)	W	W	W
21 FIEDLER (R)	W	W	W
22 MOORHEAD (R)	W	W	W
23 BEILENSON (D)	-	R	R
24 WAXMAN (D)	-	R	R
25 ROYBAL (D)	-	R	R
26 ROUSSELOT (R)	W	W	W
27 DORNAN (R)	W	W	W
28 DIXON, JULIAN (D)	-	R	R
29 HAWKINS, AUGUSTUS (D)	-	R	R
30 MARTINEZ (D)	-	R	R
31 DYMALLY (D)	-	R	R
32 ANDERSON (D)	-	R	?
33 GRISHAM (R)	W	W	W
34 LUNGREN (R)	W	W	W
35 DREIER (R)	W	W	W
36 BROWN, GEORGE (D)	-	R	?
37 LEWIS (R)	W	W	W
38 PATTERSON (D)	-	R	?
39 DANNEMEYER (R)	W	W	W
40 BADHAM (R)	W	W	W
41 LOWERY (R)	W	W	W
42 HUNTER (R)	W	W	W
43 BURGENER (R)	W	W	W
COLORADO			
1 SCHROEDER (D)	W	R	?
2 WIRTH (D)	-	R	R
3 KOGOVSEK (D)	-	W	R
4 BROWN, HANK (R)	W	W	W
5 KRAMER (R)	W	W	W
CONNECTICUT			
1 KENNELLY (D)	-	R	R
2 GEJDENSON (D)	-	R	R
3 DE NARDIS (R)	-	R	R
4 MCKINNEY (R)	-	R	R
5 RATCHFORD (D)	-	R	R
6 MOFFETT (D)	-	R	R
DELAWARE			
1 EVANS, THOMAS (R)	W	W	W
FLORIDA			
1 HUTTO (D)	W	W	?
2 FUQUA (D)	-	?	?
3 BENNETT (D)	W	W	U
4 CHAPPELL (D)	W	W	?
5 MCCOLLUM (R)	W	W	W
6 YOUNG, BILL (R)	W	W	W
7 GIBBONS (D)	W	R	U
8 IRELAND (D)	W	W	W
9 NELSON (D)	-	U	?
10 BAFALIS (R)	W	W	W
11 MICA (D)	-	R	W
12 SHAW (R)	W	W	W
13 LEHMAN (D)	-	R	R
14 PEPPER (D)	-	R	R
15 FASCELL (D)	-	R	?
GEORGIA			
1 GINN (D)	W	W	?
2 HATCHER (D)	W	W	W
3 BRINKLEY (D)	W	W	W
4 LEVITAS (D)	W	U	W
5 FOWLER (D)	W	R	?
6 GINGRICH (R)	W	W	W
7 MCDONALD (D)	W	W	W
8 EVANS, BILLY (D)	W	W	W
9 JENKINS (D)	W	W	W
10 BARNARD (D)	W	W	W
HAWAII			
1 HEFTEL (D)	-	R	?
2 AKAKA (D)	-	R	R
IDAHO			
1 CRAIG (R)	W	W	W
2 HANSEN, GEORGE (R)	W	W	W
ILLINOIS			
1 WASHINGTON (D)	-	R	R
2 SAVAGE (D)	-	R	R
3 RUSSO (D)	-	R	R
4 DERWINSKI (R)	W	U	?
5 FARY (D)	-	R	R
6 HYDE (R)	-	W	R
7 COLLINS, CARDISS (D)	-	R	R
8 ROSTENKOWSKI (D)	-	R	U
9 YATES (D)	-	R	R
10 PORTER (R)	W	U	?
11 ANNUNZIO (D)	-	R	R
12 CRANE, PHILIP (R)	W	W	W
13 MCCLORY (R)	-	W	W
14 ERLENBORN (R)	W	W	W
15 CORCORAN (R)	W	W	W
16 MARTIN, LYNN (R)	W	W	W
17 O'BRIEN (R)	W	W	W
18 MICHEL (R)	W	W	W
19 RAILSBACK (R)	W	W	W
20 FINDLEY (R)	W	W	W
21 MADIGAN (R)	W	W	W
22 CRANE, DANIEL (R)	W	W	W
23 PRICE (D)	-	R	R
24 SIMON (D)	-	R	W
INDIANA			
1 BENJAMIN (D)	-	R	U
2 FITHIAN (D)	-	R	?
3 HILER (R)	W	W	W
4 COATS (R)	W	W	W
5 HILLIS (R)	W	W	R
6 EVANS, DAVID (D)	-	R	R
7 MYERS (R)	-	?	?
8 DECKARD (R)	W	?	?
9 HAMILTON (D)	-	R	R
10 SHARP (D)	-	R	?
11 JACOBS (D)	W	W	W
IOWA			
1 LEACH (R)	W	W	W
2 TAUKE (R)	W	W	W
3 EVANS, COOPER (R)	W	W	W
4 SMITH, NEAL (D)	-	R	R
5 HARKIN (D)	-	R	U
6 BEDELL (D)	-	R	?
KANSAS			
1 ROBERTS, PAT (R)	W	W	W
2 JEFFRIES (R)	W	W	W
3 WINN (R)	W	W	W
4 GLICKMAN (D)	W	R	U
5 WHITTAKER (R)	W	W	W
KENTUCKY			
1 HUBBARD (D)	W	R	?
2 NATCHER (D)	-	R	R
3 MAZZOLI (D)	-	R	?
4 SNYDER (R)	W	W	W
5 ROGERS (R)	W	W	W
6 HOPKINS (R)	W	W	W
7 PERKINS (D)	-	R	?
LOUISIANA			
1 LIVINGSTON (R)	W	W	W
2 BOGGS (D)	-	R	R
3 TAUZIN (D)	W	W	W
4 ROEMER (D)	W	W	W
5 HUCKABY (D)	W	W	W
6 MOORE (R)	W	W	W
7 BREAUX (D)	W	R	?
8 LONG, GILLIS (D)	-	R	?
MAINE			
1 EMERY (R)	-	W	W
2 SNOWE (R)	W	W	U
MARYLAND			
1 DYSON (D)	W	R	U
2 LONG, CLARENCE (D)	-	R	?
3 MIKULSKI (D)	-	R	R
4 HOLT (R)	W	W	W
5 HOYER (D)	-	R	R
6 BYRON (D)	-	?	?
7 MITCHELL, PARREN (D)	-	R	R
8 BARNES (D)	-	R	R
MASSACHUSETTS			
1 CONTE (R)	-	R	R
2 BOLAND (D)	-	R	R
3 EARLY (D)	-	R	U
4 FRANK (D)	-	R	R
5 SHANNON (D)	-	R	R
6 MAVROULES (D)	-	R	R
7 MARKEY (D)	-	R	R
8 O'NEILL (D)	-	R	R
9 MOAKLEY (D)	-	R	R
10 HECKLER (R)	-	R	U
11 DONNELLY (D)	-	R	R
12 STUDDS (D)	-	R	R
MICHIGAN			
1 CONYERS (D)	-	R	R
2 PURSELL (R)	W	W	W
3 WOLPE (D)	-	R	R
4 SILJANDER (R)	W	W	W
5 SAWYER (R)	W	W	W
6 DUNN (R)	W	W	W
7 KILDEE (D)	-	R	R
8 TRAXLER (D)	-	R	R
9 VANDER JAGT (R)	W	W	W
10 ALBOSTA (D)	-	R	?
11 DAVIS (R)	-	W	W
12 BONIOR (D)	-	R	R
13 CROCKETT (D)	-	R	R
14 HERTEL (D)	-	R	R
15 FORD, WILLIAM (D)	-	R	R
16 DINGELL (D)	-	R	?
17 BRODHEAD (D)	-	R	R
18 BLANCHARD (D)	-	R	R
19 BROOMFIELD (R)	W	W	W
MINNESOTA			
1 ERDAHL (R)	W	W	W
2 HAGEDORN (R)	W	W	W
3 FRENZEL (R)	W	W	W
4 VENTO (D)	-	R	R
5 SABO (D)	-	R	R
6 WEBER, VIN (R)	W	W	W
7 STANGELAND (R)	W	W	W
8 OBERSTAR (D)	-	R	R
MISSISSIPPI			
1 WHITTEN (D)	-	R	?
2 BOWEN (D)	W	R	R
3 MONTGOMERY (D)	W	W	W
4 DOWDY (D)	W	W	?
5 LOTT (R)	W	W	W
MISSOURI			
1 CLAY (D)	-	R	R
2 YOUNG, ROBERT (D)	-	?	W
3 GEPHARDT (D)	-	R	?
4 SKELTON (D)	W	W	U
5 BOLLING (D)	-	R	R
6 COLEMAN (R)	W	W	W
7 TAYLOR (R)	W	W	W
8 BAILEY, WENDELL (R)	W	W	W
9 VOLKMER (D)	W	W	W
10 EMERSON (R)	W	W	W
MONTANA			
1 WILLIAMS, PAT (D)	-	R	?
2 MARLENEE (R)	W	W	W
NEBRASKA			
1 BEREUTER (R)	W	W	W
2 DAUB (R)	W	W	W
3 SMITH, VIRGINIA (R)	W	W	W
NEVADA			
1 SANTINI (D)	W	W	W
NEW HAMPSHIRE			
1 D'AMOURS (D)	W	R	R
2 GREGG (R)	W	W	W
NEW JERSEY			
1 FLORIO (D)	-	R	R
2 HUGHES (D)	-	R	R
3 HOWARD (D)	-	R	R
4 SMITH, CHRISTOPHER (R)	W	W	W
5 FENWICK (R)	W	R	?
6 FORSYTHE (R)	W	R	W
7 ROUKEMA (R)	-	R	U
8 ROE (D)	-	R	?
9 HOLLENBECK (R)	-	R	R
10 RODINO (D)	-	R	R
11 MINISH (D)	-	R	?
12 RINALDO (R)	-	R	U
13 COURTER (R)	W	W	W
14 GUARINI (D)	-	R	R
15 DWYER (D)	-	R	R
NEW MEXICO			
1 LUJAN (R)	W	W	W
2 SKEEN (R)	W	W	W
NEW YORK			
1 CARNEY (R)	W	W	W
2 DOWNEY (D)	-	R	W
3 CARMAN (R)	W	W	R
4 LENT (R)	W	W	W
5 MCGRATH (R)	W	W	W
6 LE BOUTILLIER (R)	W	W	W
7 ADDABBO (D)	-	R	R
8 ROSENTHAL (D)	-	R	R
9 FERRARO (D)	-	R	R
10 BIAGGI (D)	-	R	R
11 SCHEUER (D)	-	R	R
12 CHISHOLM (D)	-	R	R
13 SOLARZ (D)	-	R	R
14 VACANT			
15 ZEFERETTI (D)	-	R	R
16 SCHUMER (D)	-	R	R
17 MOLINARI (R)	W	W	W
18 GREEN (R)	-	R	R
19 RANGEL (D)	-	R	R
20 WEISS (D)	-	R	R
21 GARCIA (D)	-	R	R
22 BINGHAM (D)	-	R	R
23 PEYSER (D)	-	R	R
24 OTTINGER (D)	-	R	R
25 FISH (R)	-	R	?
26 GILMAN (R)	-	R	?
27 MCHUGH (D)	-	R	R
28 STRATTON (D)	-	R	?
29 SOLOMON (R)	W	W	W
30 MARTIN, DAVID (R)	W	W	W
31 MITCHELL, DONALD (R)	W	W	?
32 WORTLEY (R)	W	U	U
33 LEE (R)	W	W	U
34 HORTON (R)	W	R	?
35 CONABLE (R)	W	W	W
36 LAFALCE (D)	-	R	?
37 NOWAK (D)	-	R	?
38 KEMP (R)	-	?	?
39 LUNDINE (D)	-	R	R
NORTH CAROLINA			
1 JONES, WALTER (D)	W	R	U
2 FOUNTAIN (D)	W	W	U
3 WHITLEY (D)	W	W	W
4 ANDREWS, IKE (D)	W	W	W
5 NEAL (D)	W	W	U
6 JOHNSTON, EUGENE (R)	W	W	W
7 ROSE (D)	W	U	?
8 HEFNER (D)	W	W	U
9 MARTIN, JAMES (R)	W	W	W
10 BROYHILL (R)	W	W	W
11 HENDON (R)	W	W	W
NORTH DAKOTA			
1 DORGAN (D)	-	R	R
OHIO			
1 GRADISON (R)	W	W	W
2 LUKEN (D)	-	R	R
3 HALL, TONY (D)	-	R	R
4 OXLEY (R)	W	W	W
5 LATTA (R)	W	W	W
6 MCEWEN (R)	W	W	W
7 BROWN, CLARENCE (R)	W	?	?
8 KINDNESS (R)	W	W	W
9 WEBER, ED (R)	W	W	W
10 MILLER, CLARENCE (R)	W	W	W
11 STANTON (R)	-	W	?
12 SHAMANSKY (D)	-	R	R
13 PEASE (D)	-	R	R
14 SEIBERLING (D)	-	R	R
15 WYLIE (R)	W	W	W
16 REGULA (R)	W	R	W
17 ASHBROOK (R)	W	W	W
18 APPLEGATE (D)	-	R	?
19 WILLIAMS, LYLE (R)	-	W	?
20 OAKAR (D)	-	R	R
21 STOKES (D)	-	R	R
22 ECKART (D)	-	R	R
23 MOTTL (D)	-	R	?
OKLAHOMA			
1 JONES, JAMES (D)	-	R	R
2 SYNAR (D)	-	R	?
3 WATKINS (D)	W	R	W
4 MCCURDY (D)	W	W	U
5 EDWARDS, MICKEY (R)	W	W	W
6 ENGLISH (D)	W	W	W
OREGON			
1 AUCOIN (D)	-	R	?
2 SMITH, DENNY (R)	W	W	W
3 WYDEN (D)	-	R	R
4 WEAVER (D)	-	R	R
PENNSYLVANIA			
1 FOGLIETTA (D)	-	R	R
2 GRAY (D)	-	R	R
3 SMITH, JOSEPH (D)	-	R	R
4 DOUGHERTY (R)	-	R	R
5 SCHULZE (R)	W	?	W
6 YATRON (D)	-	R	U
7 EDGAR (D)	-	R	R
8 COYNE, JAMES (R)	W	W	W
9 SHUSTER (R)	W	?	W
10 MCDADE (R)	W	R	?
11 NELLIGAN (R)	-	R	R
12 MURTHA (D)	-	R	R
13 COUGHLIN (R)	W	W	U
14 COYNE, WILLIAM (D)	W	R	R
15 RITTER (R)	W	W	W
16 WALKER (R)	W	W	W
17 ERTEL (D)	-	R	U
18 WALGREN (D)	-	R	U
19 GOODLING (R)	W	W	W
20 GAYDOS (D)	-	R	U
21 BAILEY, DON (D)	-	R	U
22 MURPHY (D)	?	R	?
23 CLINGER (R)	W	R	W
24 MARKS (R)	-	U	?
25 ATKINSON (D)	W	W	W
RHODE ISLAND			
1 ST GERMAIN (D)	-	R	?
2 SCHNEIDER (R)	-	R	R
SOUTH CAROLINA			
1 HARTNETT (R)	W	W	W
2 SPENCE (R)	W	W	W
3 DERRICK (D)	W	R	U
4 CAMPBELL (R)	W	W	W
5 HOLLAND (D)	W	R	?
6 NAPIER (R)	W	W	W
SOUTH DAKOTA			
1 DASCHLE (D)	W	W	W
2 ROBERTS, CLINT (R)	W	W	W
TENNESSEE			
1 QUILLEN (R)	W	W	W
2 DUNCAN (R)	W	W	W
3 BOUQUARD (D)	W	W	W
4 GORE (D)	-	R	R
5 BONER (D)	-	R	W
6 BEARD (R)	W	W	W
7 JONES, ED (D)	W	U	?
8 FORD, HAROLD (D)	-	R	R
TEXAS			
1 HALL, SAM (D)	W	W	W
2 WILSON (D)	W	R	W
3 COLLINS, JAMES (R)	W	W	W
4 HALL, RALPH (D)	W	W	W
5 MATTOX (D)	-	R	?
6 GRAMM (D)	W	W	W
7 ARCHER (R)	W	W	W
8 FIELDS (R)	W	W	W
9 BROOKS (D)	-	R	R
10 PICKLE (D)	W	R	W
11 LEATH (D)	W	W	W
12 WRIGHT (D)	-	R	R
13 HIGHTOWER (D)	W	R	W
14 PATMAN (D)	W	R	?
15 DE LA GARZA (D)	-	?	?
16 WHITE (D)	W	W	W
17 STENHOLM (D)	W	W	W
18 LELAND (D)	-	R	R
19 HANCE (D)	W	R	?
20 GONZALEZ (D)	-	R	R
21 LOEFFLER (R)	W	W	W
22 PAUL (R)	W	W	W
23 KAZEN (D)	W	?	W
24 FROST (D)	-	R	R
UTAH			
1 HANSEN, JAMES (R)	W	W	W
2 MARRIOTT (R)	W	W	W
VERMONT			
1 JEFFORDS (R)	-	R	R
VIRGINIA			
1 TRIBLE (R)	W	W	W
2 WHITEHURST (R)	W	W	W
3 BLILEY (R)	W	W	W
4 DANIEL, R.W. (R)	W	W	W
5 DANIEL, DAN (D)	W	W	W
6 BUTLER (R)	W	R	?
7 ROBINSON (R)	W	W	W
8 PARRIS (R)	W	W	W
9 WAMPLER (R)	W	W	W
10 WOLF (R)	W	W	W
WASHINGTON			
1 PRITCHARD (R)	-	W	U
2 SWIFT (D)	-	R	U
3 BONKER (D)	-	R	R
4 MORRISON (R)	W	W	W
5 FOLEY (D)	-	R	?
6 DICKS (D)	-	R	R
7 LOWRY (D)	-	R	R
WEST VIRGINIA			
1 MOLLOHAN (D)	-	R	U
2 BENEDICT (R)	W	W	W
3 STATON (R)	W	W	W
4 RAHALL (D)	-	R	R
WISCONSIN			
1 ASPIN (D)	-	R	R
2 KASTENMEIER (D)	-	R	R
3 GUNDERSON (R)	W	W	W
4 ZABLOCKI (D)	-	R	R
5 REUSS (D)	-	R	R
6 PETRI (R)	W	W	W
7 OBEY (D)	-	R	R
8 ROTH, TOBY (R)	W	W	W
9 SENSENBRENNER (R)	W	W	W
WYOMING			
1 CHENEY (R)	W	W	?

AFL-CIO News

MEMO FROM COPE PAGE 8

Vol. XXVII

Saturday, September 4, 1982 No. 35

Support for Solidarity Affirmed

SIGN OVER the portico of AFL-CIO headquarters spells out the federation's number one concerns in the domestic and foreign areas: double-digit unemployment and the continued detention of Solidarity members in Poland.

Poland's Embattled Union Hailed on 2nd Anniversary

By James M. Shevis

The American labor movement marked the second anniversary of the founding of Poland's since-suppressed Solidarity trade union with a vow "never to betray our own ideals by abandoning the brave workers of Poland" and a call for stiffer U.S. sanctions against the Polish communist regime.

As thousands of Solidarity supporters in Poland took to the streets to observe the occasion and protest the martial law that has existed there since last December, AFL-CIO President Lane Kirkland renewed the federation's demand that the Reagan Administration "stop the flow of credit to the Soviet bloc, stop financing Lech Walesa's captors." The Solidarity leader has been confined by Polish authorities since last year's crackdown.

IN A STATEMENT read at a federation headquarters rally, Kirkland said the AFL-CIO would never accept the repression of Solidarity and promised continued support of the first free union ever to gain official recognition in a communist-ruled nation.

"Only Poles can liberate Poland," he pointed out, "but they must know they are not alone." Kirkland was returning from Europe, where he had gone on federation business.

Exactly two years earlier, on Aug. 31, 1980, the Polish government agreed to the demands of striking workers at the giant Lenin shipyard in Gdansk and signed an historic document granting unprecedented freedoms to Poles, including the right to form free unions independent of the government and the right to strike.

THE BIRTH of Solidarity sparked 16 months of political reforms, which came to an end the night of Dec. 12-13 when a military junta headed by Gen. Wojciech Jaruzelski declared a "state of war," or emergency, existed in Poland, suspended the union, and jailed thousands of its members.

During the AFL-CIO rally, Operating Engineers President J. C. Turner charged the Reagan Administration ignores its responsibility to protect human rights when it permits giant American corporations to provide technology, trade, and credit to the Soviet Union.

"What we ask for Polish workers is the same basic rights we ask for ourselves," said Turner, an AFL-CIO vice president. He accused the Polish and Soviet governments of going back on their word under the Helsinki accords, the United Nations' Universal Declaration of Human Rights, and the International Labor Organization's convention No. 87 guaranteeing freedom of association by refusing the right of free and independent unions to exist in their societies.

(Continued on Page 5)

Social Programs At Stake in Veto Of Funding Bill

By David L. Perlman

The independence of Congress and the part-time community service jobs of 54,000 low-income older Americans will be equally at stake when the House and Senate attempt to override President Reagan's veto of an emergency funding bill.

Reagan termed the $14.1 billion appropriations measure a "budget-buster" because it included about $900 million for social programs the Administration wants to cut back. At the same time, he complained that Congress didn't provide all of the new military funding the Administration had requested.

A MAJORITY of Republicans in both the House and Senate had joined Democrats in approving the supplemental appropriations bill, and they will have to

(Continued on Page 4)

Little to Cheer About

Labor Day Messages Assail Job Destruction

By Susan Dunlop

American workers have little to cheer about this Labor Day, AFL-CIO President Lane Kirkland and Sec.-Treas. Thomas R. Donahue stressed in their traditional holiday statements.

"There is not a working family in the land that has not been injured to some degree," Kirkland said, "by the destructive policies of the Reagan Administration and the recession that is part and parcel of those policies."

BY HIS action's and policies, "President Reagan has treated workers as wholly expendable," Kirkland said.

And, because of "the cold-blooded decision to instigate mass unemployment as a weapon against inflation," he emphasized, more than 10.8 million Americans are jobless.

Unemployment is "a disease that withers the human potential," Kirkland said, adding that because work is the "basis of the sense of personal worth that engenders both self-respect and respect for others," it is also the "bedrock" of social stability and order.

Joblessness undermines that stability, and because of its "disruptive and disintegrative effects," it is "the most dangerous force, short of famine, pestilence, war and death, that can be let loose in the world," Kirkland asserted.

THE GOAL of the American labor movement, he said, is to help bring about the best and most productive society possible for human beings to achieve, "and the place to start . . . is to give every human being access to the world of work. That means providing a job worth doing for every man and woman who is able and willing to work"

Kirkland likened the Reagan Administration's promises of better days ahead to the Hoover Administration's assurances fifty years ago that "prosperity is just around the corner while the American economic house was collapsing around our ears."

The disastrous, job-destroying budget, tax and high-interest rate policies of the Republican Reagan Administration are pushing many American workers and their families lower and lower down the economic ladder, Kirkland charged. He stressed that the damage is magnified by the deep cuts in social programs just at

(Continued on Page 3)

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9/4/82

Strange Cult

Varied Front Groups Abet LaRouche's Quest for Power

By Wesley McCune

Special to the AFL-CIO News

If nothing else, Lyndon LaRouche is indefatigable. Starting 15 years ago on the extreme left and switching to the extreme right without conceding any change, the energetic movement leader has adopted new names and new techniques to attract attention and new followers.

Although he is generally credited with only 2,000 to 3,000 followers in this country, he retains a cadre of several hundred hard-core workers, even after a block of them defected in the past year.

Starting as the National Caucus of Labor Committees, LaRouche changed the name to U.S. Labor Party and now uses the equally deceptive name of National Democratic Policy Committee. In his later phase, he has sought respectability by such activities as running for President twice, after emerging from the shadows of anonymity.

HIS TACTICS in the earlier phase included harassment and violence, such as

Second of three articles

beatings by their own account of at least 40 opponents, principally members of the Communist Party and black-power activists. In his more genteel phase—during his 1980 run for the Presidency in New Hampshire—LaRouche supporters began the tactic of impersonating reporters and others,

(Continued on Page 2)

Wesley McCune, the author of this series, is director of Group Research, Inc., which keeps watch on extremist groups of both the left and right.

STRANGE CULT LaRouche's Quest for Power

(Continued from Page 1)

sometimes using harassing phone calls defended as necessary for "security."

The rough stuff was not casual. During the 1980 presidential campaign, LaRouche travelled with armed body guards, and leaders of his motley organization have been trained extensively in terrorist tactics and "self defense" at two centers. One is his own, a farm near Glens Falls, N.Y., where foreigners and Americans took classes in weapons systems, explosives, handguns and close-order drill.

MORE professional training of this kind has been obtained at a compound in Georgia which is run by Mitchell WerBell III, a developer of guns and trainer of bands for abortive overthrows in Latin America. WerBell is also a supporter of the radical-right Liberty Lobby and close friend of its head, Willis A. Carto.

"We train them in martial arts, pistol shooting, paramedical skills, the use of shotguns, rifle countersniper activity, counter-surveillance, and the control of three-car caravans," WerBell told a reporter.

As recently as last year, LaRouche took eight bodyguards sporting sunglasses and walkie-talkies to visit a member of Congress. Though an ardent conservative, the congressman has "steered clear" of LaRouche ever since.

Other congressional offices report the use of deception by LaRouche's agents, such as representing themselves to be reporters for well-known publications or using names of government officials.

BESIDES resorting to such tactics, LaRouche has spawned a wide assortment of projects and subgroups with misleading names, some amounting to fronts for his well-dominated empire that takes in $3 to $5 million a year, none of it accounted for publicly.

A prime example comes from the Chicago area, where funds were actively solicited for about two years for something called the National Anti-Drug Coalition and a publication called War on Drugs. After many questions were raised about the operation, it was disclosed to be run by LaRouche disciples and commingled with his various funds.

Without registering either as a political group or a charity, the network of hawkers was taking in an average of $2,000 a day in the Chicago region with a claimed 7,000 subscribers there, and a significant number of the salespeople were contributing to LaRouche's campaign for President of the United States in the Democratic primaries.

Along with the fund-raising, the network was typically spreading its conspiracy theory of world problems. The Chicago Sun-Times was accused of being in collusion with Notre Dame University President Theodore Hesburgh and two Chicago priests to create "financial chaos" in the Catholic church and somehow carry on a worldwide conspiracy to foster population control.

A former member commented: "Their only constraint is what they can get away with. Anything and everything goes."

Some of the fronts used in the past—and probably defunct—have been called Revolutionary Youth Movement, National Unemployed and Welfare Rights Organizations, International Workingmen's Association, Committee for Fair Elections, and Labor Organizer's Defense Fund.

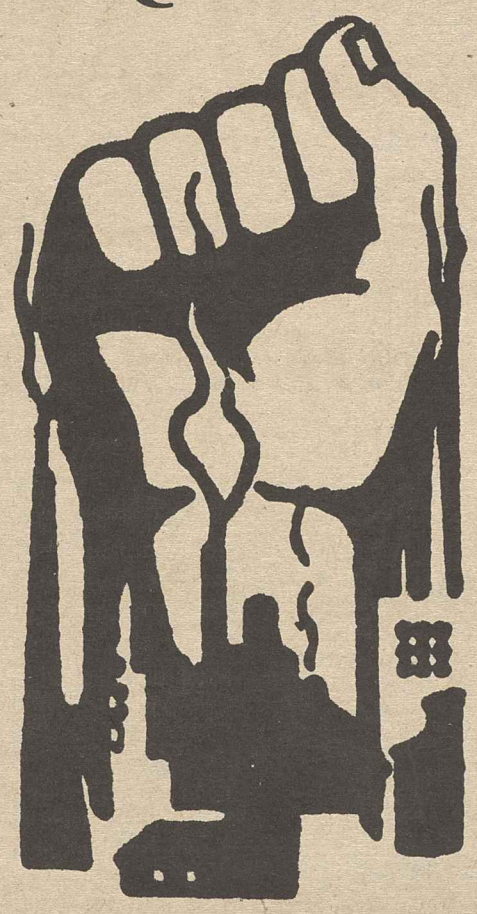
A MAJOR FRONT which is very much alive is the Fusion Energy Foundation (FEF), which pushes hard for more use of atomic energy and actually enjoys tax-exemption. One of several attractive publications hawked by LaRouche workers at airports, Fusion is jam-packed with apparently learned, scientific articles about nuclear energy. It does not disclose its control by LaRouche, but he is sometimes in it. For example, the 72-page issue of Jan. 20, 1980, contained a full-page ad with his picture and headlined: "On February 26, this man will end the myth that most Americans oppose nuclear energy." The date was explained as being that of the New Hampshire primary in which he was running for President as a Democrat (without, of course, any involvement of the party).

Another of his professional-looking magazines is The Campaigner, which boasts that it is being published as "the independent journal of the newly revived humanist movement" to "rescue our children from the evils of drugs, pornography, and rock music." Although not identified with LaRouche, it contains articles by him (without further identification of him).

A THIRD, more esoteric magazine is Executive Intelligence Review, identified as a publication of New Solidarity International Press Service, another LaRouche operation with foreign offices and a modern teletype network which services his branches throughout the United States.

A mish-mash of articles from abroad, EIR also embraces such LaRouche themes as "the one-world conspiracy," referring to the United Nations and various specialized international agencies.

The oldest and brashest of his publications is a newspaper called New Solidarity,



Symbol Used by LaRouche's U.S. Labor Party

not to be confused with Solidarity, the long-time organ of the United Auto Workers with whom he has fought for years.

An analysis of targets selected for attack in the publication shows these samples among liberal groups, in addition to a significant number of conservative objects of LaRouche's scorn: the Jesuits, the National Council of Churches, the American Friends Service Committee, American Civil Liberties Union, Ladies' Garment Workers, National Education Association, International Red Cross and Jesse Jackson's "Operation Push."

LaROUCHE'S most virulent attacks, however, are reserved for Jews for whom he often uses the code words "Britain" or "British," a reference to the Rothschilds and other Jewish-surnamed bankers in London.

In a detailed study of the LaRouche cult to be published later this month by the League for Industrial Democracy, New York journalist Dennis King documents LaRouche's anti-Semitic theory of history that accuses Jews of centuries of crimes ranging from the death of Jesus Christ to encouraging drug addiction in American cities.

To LaRouche, the LID study notes, Jews are a "treasonous apparatus" operating on behalf of the "British" whom he calls a separate, morally depraved, subhuman species bent on destroying the human race. "Britain" and its "Zionist" agents, according to LaRouche, plan to destroy the human race through usury, drugs, famine, plagues and nuclear war.

LaROUCHE HAS called the Nazi Holocaust "mythical," and he has called for the "immediate elimination of the Jewish lobby and other British agents" from American government, business and labor, if necessary by force, including "the treatment . . . (applied) to Japan in 1945."

The LID study also documents LaRouche's plans in 1978 to circulate a resolution calling on unions to kick "Zionists" out of their ranks and to mobilize their resources against Jews "both inside and outside of the labor movement."

An article in New Solidarity announced that the attack would largely be directed against the leadership of the AFL-CIO, King reports in the LID study. The article said, "The recent issues of AFL-CIO publications provide ample evidence that the AFL-CIO is acting as a malleable tool of the Jewish Labor Committee and its Zionists sponsors." The "evidence" cited by the LaRouche publication included a statement by then-AFL-CIO President George Meany calling on the U.S. government to press the Soviet Union to recognize the human rights of all Soviet citizens, including Soviet Jews.

WHETHER THE ideology is liberal or conservative, LaRouche jumps on current events to exploit publicity. Last fall, when Sen. Harrison Williams of New Jersey, a liberal Democrat, was in danger of being expelled for his participation in the ABSCAM scandals (he later resigned), LaRouche produced a half-hour film in which the senator explained his side of the affair.

LaRouche described the controversy as a "frame-up" of Williams and ABSCAM as a "treasonous" action by the FBI, charging some members of Congress with promoting or condoning policies "more hideous than those perpetuated by Albert Speer and others under Adolph Hitler." And he accused the Heritage Foundation, a conservative think-tank, with being behind the plot, calling it a "sham opponent of the Trilateral Commission."

All of which added to the mystery of the energetic chamelon who holds together a network capable of violence and many other kinds of mischief.

(Part 3 next week)

Reaction to Solidarity Reveals Basic Anti-Unionism

The following is excerpted from "The Lyndon LaRouche Cult: Enemy of American Labor," to be published later this month by the League for Industrial Democracy, 275 Seventh Ave., New York, N.Y. 10001. The author, Dennis King, wrote an award-winning series on LaRouche for the Manhattan weekly, Our Town, in 1979-80.

LaRouche and his followers moved away from communism long ago, but they retained an admiration for the Soviet bureaucracy and for its role as the center of anti-Zionism and anti-Semitism in today's world. This has led the NCLC into its most flagrant display of hostility toward organized labor. When the Polish military cracked down on the Solidarity trade union in December 1981, the NCLC jumped to the defense of the Polish military, echoing the most discredited lies of Pravda.

On Jan. 25, 1982, the NCLC newspaper published a front-page editorial, "Don't Meddle in Poland," which claimed that "elements of Solidarity" were controlled by Western intelligence agencies, and described the efforts of the AFL-CIO to help Solidarity as "deadly games."

"Were those who support the activities of Lane Kirkland . . . and (his) ilk to now desist from present and planned covert operations, targeted against the Polish nation-state, then stability might soon be returned to that nation," said the NCLC.

On Jan. 21, the NCLC newspaper praised the "broad purge" that was reportedly underway within the Polish state administration. "From the first concrete instances of this clean-up," the NCLC writer said, "the martial regime of Gen. Jaruzelski is removing from positions of influence some of the hardcore British intelligence protégés." In LaRouchian code language ("British" for Jew), this parallels the charges made by Polish hard-liners (and also some West European neo-Nazis) that "Zionists" are responsible for the growth of Solidarity.

These statements are only the tip of the iceberg. Two years ago, when the independent Polish workers' movement was first gaining strength and Edward Gierek was still premier of Poland, LaRouche wrote an article of sympathetic advice to Gierek which foreshadowed recent events.

THE ARTICLE included a mixture of LaRouche-style and Soviet-style anti-Semitism, calling the growth of the workers' movement a "Trotskyite insurrection" and stating: "As . . . with sheep generally, Judas goats appear often to lead political sheep to fresh slaughter. . . . So the Polish strikers . . . are marching to slaughter behind British intelligence's KOR-centered Judas goats." (The dissident group KOR had frequently been accused by communist hard-liners of being "Zionist" dominated.)

LaRouche then described what he would do if he were "in Mr. Gierek's shoes": "My approach to the general strike," LaRouche said, "would be analogous to my response to the ghetto riot in some major U.S. city." He then went on to discuss police tactics:

"Law enforcement will concentrate . . . on pre-identifying and surveilling the known provocateurs, taking them out of the situation by arrest and detention. Without the provocateurs, the ordinary citizens . . . will tire themselves out. . . ."

AND AGAIN: "In general . . . use force to contain and separate groups of rioters from one another and from uninvolved areas of the population. Isolate and neutralize the agents-provocateurs as inconspicuously and quickly as possible, and let the dupes tire themselves back into a normal state of mind."

There you have it. A perfect description of the martial law tactics implemented two years later by the Polish military. It is unlikely that LaRouche's article influenced the Polish communists; but the article does reveal—beyond any doubt—the anti-labor essence of LaRouche's politics.

Making Mischief in Mexico

The deceptively-named front organizations for the Lyndon LaRouche cult have fooled people in other countries as well as in the United States.

New York magazine reported the confusion in Mexico earlier this year when LaRouche, identifying himself as chairman of the advisory board of the National Democratic Policy Committee, wangled a meeting with Mexican President Jose Lopez Portillo. LaRouche puzzled Mexican reporters, who believed him to be the "leader" of the Democratic Party in the United States, by telling them that then-Sec. of State Alexander M. Haig, Jr., and his predecessor, Henry Kissinger, were "non grata"—unwelcome—in Latin America.

The U.S. Embassy and the Democratic National Committee sought to undo the damage by getting the word out that LaRouche spoke only for himself, was not a major political figure, and has no connection with the Democratic Party.

Little to Cheer About

Labor Day Messages Assail Job Destruction

(Continued from Page 1)

the time the recession makes these programs necessary.

Donahue stressed in his message that Labor Day 1982 arrives when the American economy "is in a tailspin and the outlook for the future is grim."

VOTES ON Election Day can mean a Congress that will say "no" to the Reagan Administration's "cruel" budget cuts, tight money policies and "unwarranted tax advantages for the wealthy while piling oppressive new tax burdens on working people and their families," Donahue said.

He called on American workers to pledge this Labor Day to register and vote "for a Congress which will increase jobs and ease human suffering; which will rebuild public facilities and restore public services; which will enhance the nation's physical and human resources."

METAL TRADES Dept. President Paul Burnsky said the labor movement, "as we always have," must take the lead "in moving America back on course toward prosperity and justice. We must vigorously pursue our role as the people's lobby both in reminding our national leaders of our people's needs and in stimulating voter activity . . . on behalf of office seekers who understand the responsibility of government to all its citizens."

President Robert A. Georgine of the AFL-CIO Building & Construction Trades Dept. emphasized that with millions of Americans out of work, "much work needed to be done is not being done" as public facilities deteriorate dangerously and housing construction continues to fall off sharply.

Georgine also pointed to attempts by the Reagan Administration to undermine the 50-year-old Davis-Bacon prevailing wage law as an example of the "open season" that has been declared on labor standards.

PUBLIC EMPLOYEE Dept. Executive Director John Leyden warned that "America must be braced once the upcoming elections are over for a renewed attack on social security, the most cherished of all our social programs."

American working men and women should remember the rallying call of organizer Mary "Mother" Jones, "Pray for the dead, and fight like hell for the living," Leyden said.

John E. Mara, secretary-treasurer of the Union Label & Service Trades Dept., observed that "there's an irony to Labor Day 1982 in that almost 10 percent of the work force are not privileged with the opportunity to labor."

Mara called attention to the fact that in addition to the dismal statistics on unemployment, business failures, foreclosures and the swelling ranks of the poor are the number of jobs "given away" by the failure of the U.S. government to insist on fair trade policies with other countries and on a modern industrial growth policy.

INDUSTRIAL UNION Dept. President Howard Samuel charged that "the greatest tragedy of all is that millions of those unployed will remain jobless even when our nation begins to emerge from the recession. Their companies have gone out of business, their industries have retrenched permanently."

American industry will continue to decline, Samuel said, until we recognize the need for an industrial policy. Government must acknowledge its role as a partner in assuring economic growth and full employment, he urged.

In his message, Food & Beverage Trades Dept. President Robert F. Harbrant noted that "the glorious predictions of supply-side economics have instead become the inglorious reality of soup kitchens and unemployment offices strained beyond capacity."

He scored the Reagan Administration's attempts to gut child labor laws and introduce a program to bring low-paid foreign "guest workers" into the United States as "ill-advised and reprehensible moves in any time, but all the more unconscionable when unemployment is at post-war highs and White House concern is apparently at post-war lows."

Network Broadcasts Set for Labor Day

AFL-CIO leaders will appear on the following radio and television programs over the Labor Day weekend, Sept. 5 and 6:

Vice President John H. Lyons on Mutual radio, Monday, Sept. 6, 12:15 p.m. EDT.

President Lane Kirkland on NBC radio, Monday, Sept. 6, 12:30 p.m. EDT.

Sec.-Treas. Thomas R. Donahue on CBS radio, Monday, Sept. 6, excerpts during hourly news programs.

Kirkland also is scheduled to appear on the ABC television program "This Week with David Brinkley" Sunday, Sept. 5, at 11:30 a.m.

Local stations may alter program schedules and should be checked for exact broadcast time.

BOXING GLOVES modeled by Postal Workers President Moe Biller at the APWU convention tied in with the new "image-building" television advertising campaign planned by the union. Biller said the APWU will "hit back against those who have tried to make the American postal worker a punching bag."

Postal Union Delegates Put Political Fund Over the Top

Miami Beach, Fla.—Delegates to the American Postal Workers Union convention backed up a resolution of "non-support" of Administration policies with cash contributions that put the APWU political fund over its $350,000 goal.

The 2,600 delegates represented more than 300,000 active and retired members, and President Moe Biller promised that the union will "hit back against those who have tried to make the American postal worker a punching bag."

IN ADDITION to expanded political efforts, the APWU will mount an "image-building" series of television, radio and print media advertisements this fall. The advertising program was previewed at the convention and enthusiastically applauded.

On internal issues, the convention approved a changeover of previously part-time union positions to create new full-time posts of business agents, who will be elected by regions and crafts.

National officers are currently in the second year of three-year terms, and the new positions will be filled next year when the union's officers are chosen in a nationwide mail ballot.

KEYED TO the new positions is a 45-cent increase in the per capita tax to take effect in October 1983. The present per capita payment, including an assessment that was rolled into the permanent structure, is $6 a month.

Delegates approved a clarification of the "no-contract, no work" declaration adopted by a previous convention. It specified that "further negotiations are not eliminated if the parties are not in agreement at midnight of the current contract deadline, as long as it is understood that we continue under a contract." Further, the policy will no longer be regarded as a "mandate" but "as an alternative if the national negotiators deem it necessary."

In another area, the convention adopted an "interpretive resolution" affirming that the union's executive board has the authority, between conventions, to engage in transactions it deems in the best interests of the union. Delegates also restored the right of retired members who pay full dues to seek elective office.

FORMER Vice President Walter F. Mondale was among the convention speakers, and he brought delegates to their feet by clasping hands with APWU officers on the platform and singing Solidarity Forever with them.

There was a similar, moving scene the next day as Coretta Scott King brought the convention together with the civil rights hymn, We Shall Overcome.

The president of the Canadian Union of Postal Workers, Jean-Claude Parrot, received a warm welcome from the delegates as did Gary Eads, the president of the Air Traffic Controllers.

ON THE EVE of the convention, a congressional leadership rally was addressed by seven House members. They included Rep. Claude Pepper (D-Fla.), Chairman William D. Ford (D-Mich.) of the Post Office & Civil Service Committee and five other House members with committee posts important to postal worker interests: Representatives William Clay (D-Mo.), Mickey Leland (D-Tex.), Benjamin A. Gilman (R-N.Y.), Mary Rose Oakar (D-Ohio) and George Miller (D-Calif.).

Asbestos Bankruptcy Claim Hit as 'Ploy'

The AFL-CIO characterized the Manville Corp.'s petition for reorganization under the Federal Bankruptcy Code as a "ploy" to escape its responsibility for the asbestos industry's concealment of the deadly effects of asbestos on the health and lives of exposed workers.

George H. R. Taylor, director of the federation's Dept. of Occupational Safety & Health, predicted that the next move of the company and the industry would be to use this bankruptcy device to push for legislation making the taxpayers foot the bill for compensation of the victims of workplace exposure to asbestos.

MANVILLE, formerly known as Johns-Manville, was for many years a major manufacturer of asbestos products. In filing for bankruptcy Aug. 26, the Denver-based firm became the second large U.S. company to seek Chapter 11 protection because of lawsuits related to asbestos and health. UNR Industries, Inc., of Chicago filed for reorganization in July, citing 17,000 damage claims pending against it.

Manville, the largest single asbestos producer in the world, filed the petition because of what it called the prohibitive cost of contesting over 16,000 asbestos-related lawsuits. The effect of the filing was to suspend damage suits against the company from workers who claim their health was eroded from exposure to asbestos at Manville worksites.

Asbestos has been shown to cause asbestosis, a usually fatal scarring of the lungs, lung cancer, and mesothelioma, a unique form of cancer of the lung's lining.

OF THE estimated 16,500 suits filed against Manville, 90 have gone to trial and the company has won 40 percent of them. James Beasley, treasurer of the company, said the asbestos litigation "could range from anywhere between $2 billion to many times that amount over the next 20 years."

Sheldon Samuels, director of health, safety and environment for the AFL-CIO's Industrial Union Dept., said the Manville action is "a symptom of the failure of the government, especially this Administration, to provide meaningful medical assistance in interrupting the development of disease and a fair compensation system that protects the legal and financial rights of workers and their families."

The AFL-CIO has long supported uniform federal standards for worker compensation, particularly in the field of industrial illness resulting from exposure to the thousands of toxic materials in the workplace.

Taylor said the federation would continue to oppose any legislation that would deprive workers of their full legal rights to seek relief or which would absolve industry of its responsibilities to shoulder the costs of worker illnesses which it caused in the first place and then concealed.

MEANWHILE, a key congressman, Rep. George Miller (D-Calif.) announced plans to hold hearings on Manville's decision to file for reorganization. Miller, the chairman of the House Subcommittee on Labor Standards, said the hearings would also address the more general asbestos liability problem.

Miller is sponsor of a bill that would require asbestos manufacturers and suppliers to set up a compensation fund.

Submarine Draftsmen Affiliate with UAW

Groton, Conn.—Members of an independent union at General Dynamic Corp.'s Electric Boat division here voted to affiliate with the Auto Workers.

The decisive vote, 897-737, followed three years of turmoil that began when the independent Marine Draftsmen's Association struck the submarine yard over massive work rule changes.

After the strike ended, the MDA executive board under President E. Roy Colville began exploring the idea of affiliating with an international union. Interest in the UAW was strengthened with General Dynamic's purchase earlier this year of several Chrysler tank plants.

50TH ANNIVERSARY GREETINGS to the convention of the Government Employees in New York are extended by AFL-CIO Sec.-Treas. Thomas R. Donahue. AFGE President Kenneth T. Blaylock, at left, and the union's secretary-treasurer, Nicholas J. Nolan, standing at right, were both re-elected. Seated is the union's parliamentarian. Phyllis Silvestri.

At 50th Anniversary Convention

Election Day Solidarity Pressed as AFGE Goal

New York—More than 1,600 delegates to the 28th convention of the American Federation of Government Employees celebrated the union's 50th anniversary by calling for solidarity among government workers and pledging to work with other unions to strengthen political action programs for the 1982 and 1984 elections.

The convention elected officers to the union's top four posts and defeated proposals for a per capita dues increase.

AFGE President Kenneth T. Blaylock overwhelmingly won re-election over three opponents to his fourth term. Blaylock received more than 2.5 times the votes of the nearest contender.

ALSO RE-ELECTED were Barbara B. Hutchinson to her second term as director of the AFGE Women's Dept. and Sec.-Treas. Nicholas J. Nolan to his fifth term in that office. Hutchinson drew 148,973 votes to 56,028 for Denise Osborne. Nolan received 110,747 votes to 77,435 for Bill Nussbaum and 16,923 for Norman Fischer. Both Blaylock and Hutchinson sit on the AFL-CIO Executive Council.

John Sturdivant out-polled seven other candidates to win the contest for the vacant executive vice president position. On the second ballot, he received 125,384 votes to 73,118 for Allen Kaplan, an AFGE vice president. Sturdivant was the administrative assistant to Executive Vice President Joe Gleason, who died last March.

"I want to first give a call for unity," Blaylock told the convention immediately following the elections. "We've got some major goals to reach if we're going to move this union forward over the next few years," he said "Organizing new members, political action, and public information will continue to be this union's priorities as we gear up for the coming national elections."

IN A MAJOR address to the convention, former Vice President Walter Mondale told the delegates that this is a good time "for all of us to recognize the reasons we need a free, independent trade union movement in this country." He said, "Show me a country with an independent union movement, and I'll show you a free country. But, show me a country that prohibits unions, and I'll show you a country that lives in slavery."

Mondale, who had a 100-percent AFGE voting record during his two terms in the Senate, urged the delegates to become involved in political action and to support the union's political action committee. This is the only way to counter the big business groups who are "trying to buy America," he said.

AFL-CIO Sec.-Treas. Thomas R. Donahue told the convention that "by making the National Right to Work Committee Legal Defense Fund eligible to get their hands on your donations, the Administration was trying to trick you into financing the destruction of your union and the unions of your brothers and sisters. . . . There's nothing charitable about that Right to Work gang."

Donahue urged AFGE members to designate their contributions in the Combined Federal Campaign to the organizations they support.

He stressed the importance of understanding the congressional records compiled by the AFGE, the platforms of the political parties and the intentions of the candidates in the upcoming election.

"THE HATCH ACT can't prevent you from doing that," he said. "It can't prevent you from making those comparisons, from telling your friends and family about those votes, from being involved in your union political action program, and from getting people out to vote."

Other speakers to the convention included New York Gov. Hugh Carey; AFL-CIO Vice President Joyce Miller, who is president of the Coalition of Labor Union Women; Benjamin Hooks, executive director of the NAACP; Rep. Steny Hoyer (D-Md.), and International Labor Press Association President Diane Curry.

In other convention action, the delegates approved changes in the union's constitution to reflect new federal labor laws and Labor Dept. regulations. In a heated debate, the convention failed to reach the two-thirds majority vote needed to approve a per capita dues increase proposal.

Blaylock observed that the economy has not been good to government workers and said the union would have to increase organizing efforts to obtain the funds needed to carry out programs required by the members.

Federal Catch-Up Pay Hike Slashed by Reagan to 4%

President Reagan slashed the catch-up salary increase that 1.4 million federal employees are scheduled to receive in October from 18.5 percent to 4 percent, the amount budgeted by Congress.

Federal workers haven't received their full comparability increase since 1977, and [illegible] slumped accordingly. Presidents Nixon, Ford and Carter, as well as Reagan, have used a loophole in the salary comparability law to reduce annual pay adjustments that are supposed to be based on salary surveys of comparable private industry jobs.

LAST YEAR, Reagan sliced a 15.1 percent comparabilty raise to the 4.8 percent set by the budget.

The gap has been widening each year under the cumulative effect of presidential cutbacks, and the American Federation of Government Employees protested that federal employees are falling "further and further behind."

AFGE, which represents the largest group of federal workers, has protested what it sees as the nullification of the intent of the 1970 law that was supposed to keep federal pay on a par with private industry through annual adjustments that would take effect automatically.

THE COMPARABILITY determination starts with a Bureau of Labor Statistics survey each spring of salary levels in key private industry jobs. Unions representing federal workers then have an opportunity to make recommendations or challenge procedures, and the President's "pay agent" then informs the President of the adjustments needed to achieve comparability.

The term "pay agent" actually refers to a three-person panel consisting of the director of the Office of Personnel Management, the director of the Office of Management & Budget and the Secretary of Labor.

If the President approves their recommendation, it takes effect automatically in October. But the President may propose an alternative adjustment not later than Sept. 1, which will take effect unless either the House or Senate passes a resolution of disapproval before the October effective date.

REAGAN'S statement noted that the law allows him to propose a lesser amount, and declared:

"Under that authority, in accordance with our economy recovery program, I am submitting to the Congress an alternative plan for a 4 percent increase in federal white-collar pay this October in lieu of the 18.47 percent increase indicated under current comparability calculation methods."

Ironically, Reagan's original budget proposal had contemplated a 5 percent comparabilty raise. But the 4 percent figure was used in the budget resolution enacted by Congress, and the President's alternative plan accepted the congressional ceiling. The budget action by Congress would appear to rule out the possibility of House or Senate action to disapprove the 4 percent alternative and thus mandate a raise of nearly 18.5 percent.

THE AFGE noted that in terms of take-home pay, the increase will slip below 3 percent in January when federal employees will have 1.3 percent of their pay deducted for the Medicare tax in addition to the 7 percent deducted for their civil service pensions.

By law, military salaries are linked automatically to the comparability adjustments for federal civilian employees. But Congress has not always followed that formula. Last year, it voted separate military pay increases substantially higher than the 4.8 percent civilian level. Reagan's statement on the 4 percent alternative noted that "Congress is currently considering legislation dealing with military pay increases" which, if enacted, "will supersede the increase that military personnel would otherwise receive under this alternative plan."

The federal government's 600,000 hourly-paid blue-collar workers are supposed to have their wages adjusted each year on the basis of local area surveys of private industry jobs. Effective dates of these adjustments vary with the timing of the surveys.

IN PRACTICE, Congress in recent years has used legislative riders to appropriations bills or budget reconciliation measures to impose the same percentage ceiling on hourly-paid workers that has been set for salaried employees.

Postal pay is set through collective bargaining with the U.S. Postal Service, and is not tied to federal salary adjustments.

NAACP Slates Open House At New Headquarters

New York—The NAACP has moved its national headquarters to 186 Remsen St., Brooklyn Heights, N.Y. 11201, effective Sept. 1. The new telephone number is (212) 858-0800. The organization will hold open house at the new headquarters from 3 to 5 p.m., Sept. 11 and 12, and 4:30 to 8 p.m., Sept. 13.

Veto of Emergency Funds Threatens Social Programs

(Continued from Page 1)

backtrack to block the two-thirds vote needed to override the veto.

The "unwarranted spending" of which Reagan complained in his veto message allows low-income persons 55 or older to work up to 20 hours a week at modest salaries in day care centers, hospitals, senior centers and in programs that provide home health care and chore service to aged and handicapped persons.

It is funded under Title V of the Older Americans Act, which Congress reauthorized earlier this year, and National Council of Senior Citizens President Jacob Clayman terms it one of the Labor Dept.'s "most efficient and effective programs," lauded by mayors and county officials.

THE VETO "makes no sense" and should be overridden, Clayman urged.

Other funding objected to by the President includes an attempt by Congress to restore $148 million cut last year from compensatory education programs for disadvantaged children and $217 million in federal grants to help children from low-income families attend college. The bill also includes added funds for postal services and urban mass transit grants.

The President's sharply worded veto message was read as a political reconciliation gesture to the Republican right wing, which had attacked the President as a backslider for his embrace of higher taxes.

HOUSE MAJORITY Leader Jim Wright (D-Tex.), who had helped line up Democratic votes in support of the revenue measure, said the President's veto "revives the spirit of confrontation."

He warned that Congress wouldn't necessarily re-enact some of the Administration-sought funding in the bill, such as the $350 million for economic aid to the Caribbean Basin nations, if it were forced to drop "needed help to the old, the poor and the handicapped in our own country."

These were among the considerations that reportedly led Sec. of State George P. Shultz and Defense Sec. Caspar W. Weinberger to strongly urge the President to sign the bill.

Wright said congressional Republicans who had urged Reagan not to veto the bill included Senate Majority Leader Howard H. Baker, Jr. (Tenn.), Senate Budget Committee Chairman Pete V. Domenici (N.M.) and Rep. Silvio O. Conte (Mass.), the ranking Republican on the House Appropriations Committee.

Only one Reagan veto has been overridden by this Congress. That was a labor-supported measure to continue the domestic printing requirement of the Copyright Act and avoid a massive wipeout of printing-related jobs. But until now, the President has had his way on all spending bills.

To Protect Bargaining Gains

Letter Carriers Mount Grass-Roots Campaign

San Francisco — Union letter carriers don't intend to allow gains made at the bargaining table to be chipped away by a hostile Administration or an uncaring Congress.

That's the message delivered by more than 4,000 delegates to the 53rd convention of the National Association of Letter Carriers. It was reflected in convention action, in applause for speakers who stressed the importance of the Nov. 2 elections, and in contributions and pledges to the union's political fund.

NALC PRESIDENT Vincent R. Sombrotto called on the union's quarter-million members to form "a grass-roots legislative army" to protect jobs and benefits.

The "no-layoff" guarantee in the union's contract doesn't make postal employees immune from an Administration that considers government a burden rather than a service to the public, he stressed.

Sombrotto and other top officers of the NALC were re-elected by acclamation. Only one of 10 headquarters offices and five of the 15 regional positions of national business agent were contested and will be voted on in a mail ballot this fall. It was the first time the NALC presidency has been uncontested since direct mail voting was established in 1976.

THE NEW TERMS will be for four years instead of two years. Delegates voted approval of the longer terms after proponents stressed in debate a potential savings of $500,000—the approximate cost of each election requiring a mail ballot. Conventions will continue to be held biennially.

Delegates also approved an increase in per capita payments for active members amounting to 50 cents a month—from $66 to $72 a year.

AFL-CIO Sec.-Treas. Thomas R. Donahue, California Gov. Edmund G. Brown, Jr. and Sen. Alan Cranston (D-Calif.) were among the speakers who brought the delegates to their feet with sharp attacks on the Reagan Administration's devastation of the national economy.

"THERE IS not a working family in America that has not been injured by the economic disasters that surround us because of the policies of the Reagan Administration, aided and abetted by the 97th Congress," Donahue charged.

Not since 1934 have so many Americans been jobless, he said. But there was hope then because Franklin D. Roosevelt was in the White House. The New Deal Administration, he said, considered that the federal government should strive to "relieve suffering and create jobs," not merely "issue cheerful forecasts and preside over the ruin and impoverishment of the American people."

The delegates, from all 50 states, combined trade union militancy with the flavor of mainstream America.

LETTER CARRIER bands from several cities played during convention intermissions, speakers were greeted with the rousing "Hip, Hip, Hooray" cheer that has become a trademark of NALC conventions. The hat was generously passed for the Muscular Dystrophy Association—the NALC's traditional charity—as well as for the union's growing political education fund. And the convention closed with the singing of Solidarity Forever.

Resolutions were vigorously debated from the floor and committee recommendations were often challenged, sometimes successfully. Among the actions taken despite adverse recommendations was adoption of a constitutional amendment barring conventions and national meetings in states with "right-to-work" laws that forbid the union shop. The convention bar is effective in 1986 and the national meeting bar in 1983.

IN ADDITION to Sombrotto, Executive Vice President Tony R. Huerta, Vice President Francis J. Conners, Sec.-Treas. Richard P. O'Connell and all but one of the other resident officers were unopposed. Health Plan Director Robert J. Buntz, whose home local is in Des Moines, Ia., is being challenged by Timothy J. Arntz of Aurora, Colo. Regional contests are scheduled in the San Francisco, Denver, St. Louis, Dallas and Boston districts.

The union had previously chosen Las Vegas, Nev., as the site for its 1984 convention and St. Paul, Minn., won the convention vote for the 1986 convention.

Auto Workers Chosen By GM Unit in Georgia

Fitzgerald, Ga. — Some 300 production and maintenance workers at the General Motors Delco-Remy plant here are now represented by the Auto Workers.

UAW Vice President Owen Bieber, who heads the union's GM department, said recognition came after an independent arbitrator certified that a majority of Fitzgerald employees had signed cards authorizing the UAW to represent them in collective bargaining.

"Over 99 percent of GM production and maintenance workers in the United States now are unionized," Bieber observed.

POLISH WORKERS have taught the world a lesson, reminding people and governments everywhere of the unbreakable connection between trade union rights and human rights generally, Operating Engineers President J. C. Turner told a rally commemorating the second anniversary of the founding of the Polish free trade union, Solidarity. The rally was held in Washington.

Deepening Recession Belies Rosy Forecasts of Recovery

Despite another rise in the government's leading economic indicators and recent surges in the stock market, Americans should not be fooled into thinking that the Reagan Recession is over, the AFL-CIO warned.

"Speculation may make Wall Street soar, but not one single job has been created by those transactions," Federation Sec.-Treas. Thomas R. Donahue said.

"And the reduction in interest rates comes in spite of the policies of the Reagan Administration and the Federal Reserve Board, rather than because of them, and comes rather from the inevitable decline in lending which results from the depth of the recession and the lack of demand for loans," Donahue observed.

RECOVERY involves more than a slight downturn in interest rates, he said: It means correcting all the damage done to the economy since the present Administration assumed office, he said. Donahue pledged the AFL-CIO would continue to push for enactment of its alternative economic program to repair the damage of Reaganomics, "and get us back on the road to full employment."

With unemployment at its highest level in 40 years, the July increase of 1.3 percent in the composite index of leading economic indicators left a hollow ring. While Commerce Sec. Malcolm Baldrige, whose office announced the increase, saw the pickup as "encouraging evidence that economic recovery is about to get under way," there were other signs that seemed to belie this optimism:

- Sales of new single-family houses fell 4.9 percent in July to the third-lowest level on record while the median price of new houses rose to a record $73,600, the Commerce Dept. reported. Through July, just 226,000 new houses had been sold this year, down 22 percent from the same seven months last year.
- Dun & Bradstreet reported that 696 companies failed in the week ended Aug. 26, more than two and a half times as many as the same week a year earlier and higher than any week since the early 1930s. The credit rating and business information service said the previous record for business failures was in the Depression year of 1932 when an average of 612 businesess failed each week.
- Manufacturers of metal products reported July orders for machine tools slid 14 percent, continuing a general trend downward. The value of the orders was down 44 percent from a year earlier, the National Machine Tool Builders Association said.
- A survey of business economists showed a downward revision in expectations about any solid economic recovery. Only 9 percent of those who answered the National Association of Business Economists opinion sampling said employment was rising in their areas, a drop from the 19 percent who saw more hiring three months ago.

Poland's Solidarity Hailed on 2nd Anniversary

(Continued from Page 1)

"In so doing, they have assaulted freedom itself," he said. "If the candle of freedom is extinguished in Gdansk, the light of freedom will be dimmer throughout the world."

EVEN AS the rally was being held, in Warsaw and in the big provincial cities of Poland truckloads of police and antiriot troops used tear gas, water cannon, and truncheons to break up crowds of demonstrators chanting, "Freedom," "Lift martial law," "We want Walesa," "Solidarity," and "Gestapo, Gestapo." An overnight curfew was imposed in southwestern Poland after riot police fired on demonstrators in Lubin, killing two people and injuring 12 others.

The demonstrations showed "once again that repression will not solve Poland's problems and that reconciliation among the authorities, the church and Solidarity is urgently needed," U.S. State Dept. spokesman John Hughes told reporters.

AT THE AFL-CIO rally, which was sponsored by the federation's Metropolitan Washington Council, Jerzy Warman, a former student activist in Warsaw and now a representative of the Committee in Support of Solidarity in New York, saw the Polish free labor movement gaining a tactical initiative from the demonstrations.

By gathering and marching peacefully through the streets of Polish cities, Warman said, Solidarity supporters engaged in "yet another determined effort to teach the regime the simple, yet oldest and most fundamental, lesson of Polish politics: the nation cannot, and must not, be ruled against the people, without their participation.

"Solidarity may have lost a battle, but the war, which it will ultimately win, has only just started," he declared.

LOOKING BACK on the formation of Solidarity two years ago, Warman spoke of how the birth of the union was "like a ray of sunshine piercing the dark shroud of totalitarianism" that had been wrapped around Poland since the Soviet takeover after World War II.

"Communism fits Poland like a beggar's clothes, and indeed this has been the result of the communist rule—they beggared the country," he said.

In an opening prayer, Rev. John O'Conner of the Catholic Archdiocese of Washington called on the audience to reflect on the meaning of Solidarity's second anniversary for them.

"Poland's problem is to a certain extent our problem," he said. "It is the world's problem, and to solve it Poland needs help from us."

MURRAY SEEGER, the final speaker, was in Poland two years ago, covering the signing of the Gdansk agreement as a correspondent for the Los Angeles Times. Now the director of information for the AFL-CIO, Seeger recalled the impact of the occasion, "one of the greatest human events" of the postwar era.

Since Solidarity burst on the world stage, he said, the Polish United Workers' (Communist) Party has lost 600,000 members. "The party has been usurped for the first time in Eastern Europe," he observed. "The military has taken over."

Seeger drew attention to an AFL-CIO statement in the New York Times a day earlier commemorating Solidarity's founding, and comparing the struggle to form free trade unions in communist Poland with a similar struggle by black workers to build free and independent unions in South Africa.

"IN POLAND, South Africa, and everywhere else workers struggle for trade union rights, freedom of association is at stake," the statement said. "Democracy itself is at stake. That's worth remembering this Labor Day."

Seeger also announced that petitions calling on the Polish government to end martial law, release all Solidarity detainees, and resume good-faith talks with the union based on the principles of the Gdansk agreement had been signed by an additional 100,000 Americans, and were to be turned over to the Polish embassy.

In addition to the signatures, he said, the AFL-CIO collected over $250,000 in material aid, such as printing and office materials, which was sent to Solidarity before last December's crackdown. The federation is continuing to raise money but holding it "until we can be sure how it will be used," he said.

FOLLOWING the rally, a 24-foot-long sign was erected atop the portico of the AFL-CIO headquarters building to draw attention to the federation's main foreign and domestic goals: restoration of Solidarity in Poland and a reduction in U.S. unemployment.

"AFL-CIO remembers," the sign reads. "This is 262 days for Solidarnosc (Solidarity) prisoners. U.S. employment over 10.8 million—9.8 percent." The sign will be updated as time and events warrant.

Other gatherings to mark the Solidarity anniversary were held in New York, Chicago, and Buffalo.

Kirkland on Labor Day

America's Workers Not Expendable

By Lane Kirkland

THIS IS THE 88th observance of Labor Day since the Congress made it an official holiday, 12 years after the fact. It is the 100th anniversary of Labor Day as proclaimed and celebrated by the labor movement itself.

On Monday, Sept. 5, 1882, New York trade unionists stopped traffic on Broadway, raised their banners and stepped off in a march that will never end as long as workers continue to assert and validate their own existence and to pursue their own goals through their own democratic institutions, with or without the blessing of office-holders.

On this one day of the year, by long custom, our national leaders feel obliged to issue formal statements attesting to the dignity of work and the value of those who do it.

So President Reagan, on Labor Day 1982, tells us that "this occasion brings deserved attention to those who have toiled to build our nation and to shape a prosperous life out of dreams of early immigrants."

"Today," says the President, "we recognize the honor and the value of all work and the great satisfaction that flows from a job well done."

WORKERS deserve at least some attention from their President on the other 364 days of the year, but they do not get it. By his actions and policies, President Reagan has treated workers as wholly expendable.

There is, God knows, little to celebrate on Labor Day 1982. The number of workers who can say that they are better off today than on Labor Day last year or the year before is close to zero.

Because of the cold-blooded decision to instigate mass unemployment as a weapon against inflation, 10.8 million Americans are without a means of livelihood, according to the government's means of tabulation.

The statistics are easy to recite, but the human facts behind them are almost impossible to grasp. Imagine an unemployment line more than 4,000 miles long, stretching from the Atlantic to the Pacific and doubling back again almost to the Mississippi.

Or think of the unemployed workers as residents of a single community—call it South Succotash. That, you will recall, is where the President told us that "some fellow has been laid off from his job," but that it is not news. That population of nearly 11 million is bigger than New York and Los Angeles rolled together. It is bigger than the total population of Ohio or Pennsylvania.

THERE IS nothing these jobless men and women can't do. They can divert rivers and rearrange mountains. They can turn trees into lumber or paper. They can mine ore, smelt it and fabricate it into anything you like. They can build houses, hospitals, factories and skyscrapers. They can make, maintain and operate cars, trucks, railroads and ships. They can spin, weave and sew; grow, preserve, prepare and serve food. They can keep books, run computers or build them; they can comfort the sick, teach the young, keep order and protect the public safety.

They make up a population of extraordinarily diversified skills because they are, in fact, a cross section of the American people. In education they range from the lowers grades to the highest academic degrees. In experience they range from youngsters looking for their first foothold in the world of work to master craftsmen who have been perfecting their skills over richly productive lifetimes.

LIKE ALL of God's creatures, they want to grow to their full potential, to send their roots as deep and spread their branches as wide as nature permits. They want to prepare the way for their children to surpass their parents' limits.

There never was, anywhere on earth, any resource to be compared with this great living reservoir of talent, capability and aspiration. And it is highly perishable. It can't be put in cold storage or warehoused like its products and artifacts. Either it grows and develops, or it withers.

Unemployment is the disease that withers the human potential. With every day that passes, more and more of its victims are becoming less employable. Since the first colonies were planted, work has been the central fact of life in the United States. All our lives revolve around it. The first question a child is asked when he starts schools is, "What does your father do?" The second is, "What do you want to be when you grow up?"

Throughout life, "What do you do for a living?" will be the first question of nearly everyone he meets, and the answer will govern his credit rating, his place in the community and the future of his children, as well as the length and prominence of his obituary.

FOR BETTER or worse, in our own eyes and in the eyes of others, we are what we do. The work we do, how well we do it and how it is rewarded, is the basis of the sense of personal worth that engenders both self respect and respect for others—the bedrock of social stability and order.

To lose one's livelihood instantly breaks some of the links that bind us to others. It calls into question our personal identity and puts severe strains on all of our family and economic and social relationships. And sooner or later, if it continues long enough, it undermines our mental and physical health, and spreads its infection to the society of which we are a part.

Because of its disruptive and disintegrative effects, unemployment is the most dangerous force, short of famine, pestilence, war and death, that can be let loose in the world. A rational society, in sheer self defense, should strive to overcome it with all the resources it can find or invent.

THE ULTIMATE goal of the American labor movement is, and always has been, to help bring about the healthiest, best-educated, most creative and most productive society that it is possible for human beings to achieve.

The place to start, in our view, is to give every human being access to the world of work. That means providing a job worth doing for every man and woman who is able and willing to work. It means making a start toward carrying out the goals of the Humphrey-Hawkins Full Employment & Balanced Growth Act, which has been the declared policy of the United States since it was adopted by Congress in 1978.

In the last year of the Carter Administration, a National Accord was reached between the AFL-CIO, leaders of business, and the Administration that would have made a strong start toward full employment. It laid the groundwork for a massive reindustrialization program through which government, labor and industry could work together as partners to restore the country's eroded industrial capacity, starting with the industries and regions where unemployment is highest.

It would have established rational priorities for allocating money and credit to the most constructive uses. It would have brought new and better housing within reach of those who need it. It would have reversed the steady deterioration of highways, bridges and public facilities of all kinds that are now falling to bits because of neglect.

AND IT WOULD have brought hope and self-sufficiency and stability to millions of families by making breadwinners once again able not only to put bread on the table, but to make solid contributions to the federal treasury and promote the public welfare.

That National Accord and the strong economy and healthy society it aimed at have played no part in national policy since the Reagan Administration took office.

But all around us we see growing evidence that the National Accord, or some version of its direct approach and its human values, must ultimately prevail.

Reaganomics is a blind cave. There is no light at the end of the tunnel of recession, unemployment and national decline and deterioration into which Reaganism has led us.

IT IS our hope that before next Labor Day the people of the United States will see the truth and that they will turn their backs once and for all on the premise that the right to increase wealth carries with it the right to diminish human life.

And we will nourish that hope with the hardest work we can deliver.
those men and women who will restore America to the greatness which this country deserves.

Donahue on Labor Day

Election Holds Key to Economic Turn-Around

By Thomas R. Donahue

WE CELEBRATE Labor Day 1982 in difficult and uncertain times.

The American economy—which was built by the hands, the minds, the dedication and the determination of the working men and women of this country—is in a tailspin, and the outlook for the future is grim.

Two years ago, in the midst of the presidential campaign, candidate Ronald Reagan asked the American people to search their minds and their pocketbooks, and to come up with the answer to a fundamental question:

"Are you better off now than you were four years ago?"

The Republicans have been in control of the White House and the Senate for nearly two years now. They have set America on a dangerous new course. They have reversed many of the gains we achieved through bitter struggle over the previous 50 years—and further reversals of direction are likely.

So it's fair to ask the question again:

"ARE WE BETTER OFF now than we were before the Reagan Administration came into power?"

Are we better off with unemployment inching inexorably up to the 10-percent mark—to the highest level since the Great Depression of the '30s?

Are we better off with 10.8 million Americans officially listed as looking for jobs in an economy ravaged by layoffs and plant closings, and with millions more not counted among the unemployed because they have become so discouraged by the sorry state of the economy that they've given up hope and given up looking for work?

Are we better off when millions of long-term jobless exhaust their unemployment compensation benefits without finding work—and when the Administration only reluctantly agrees to a brief extension of those benefits, and then only as a trade-off for its tax increases?

ARE WE better off with high interest rates which prevent those who do have jobs from buying homes or automobiles, furniture or major appliances—and when their lack of purchasing power, in turn, erodes job opportunities for workers in those industries?

Are we better off with a tight-money policy which discouraged the building of new plants, the buying of new equipment, the modernization of America's productive capacity, so that we find ourselves less and less able to compete with products built in modern facilities abroad?

Are we better off with cuts in social security, cuts in Medicare, cuts in Medicaid, cuts in food stamps, cuts in aid to the weakest, the neediest, the least privileged in our society?

ARE WE BETTER OFF? Of course not.

The Reagan Administration's empty slogans and hollow promises of better days ahead sound suspiciously like those of the Hoover Administration half a century ago, when the American people repeatedly were assured that "prosperity is just around the corner," while the American economic house was collapsing.

The disastrous, job-destroying budget, tax and high-interest rate policies of the Republican Reagan Administration are pushing vast amounts of American workers and their families lower, rung by rung, down the economic ladder. The damage caused by unemployment is magnified for all groups in our society by the deep budget cuts in social programs at the exact moment that the recession makes them so needed.

The Reagan policies are creating a generation of grievously injured families, without funds for schooling, health care or adequate food or housing; without respected family role models of breadwinners with the pride of a steady, well-paying job; and without hope for the further advancement of their children.

These are the grim facts which face America, and on this Labor Day we, in the trade union movement, must ask ourselves:

"What are we going to do about all this? How can we get America moving again?"

THE ANSWER lies in our ability and our willingness to mobilize our strength and our resources in order to make our voice heard, loud and clear.

In 1981, the trade union movement and its stalwart friends—nearly a half-million Americans—staged a massive Solidarity Day demonstration on the Mall in Washington, D.C. The purpose of Solidarity Day 1981 was to make clear to the President, to the Congress and to the rest of America that we were united in our efforts to support constructive alternatives so that we could breathe life again into our faltering economy.

Solidarity Day 1982 will be held on Nov. 2. Instead of gathering again in Washington, we are urging our members to gather at their polling places across the country—to let their votes speak for them on the issue of the direction in which America should be moving, and on the best way to get from where we are now to where we want our country to go.

We have to unite behind the candidates for office who support our goals of an America in which people are fully employed, at jobs which are productive and for wages which are fair and equitable.

We have to unite behind the candidates for office who support our goals of an America which keeps faith with women, blacks, Hispanics, native Americans—everyone.

WE HAVE TO unite behind the candidates for office who support our goals of an American industrial society which can compete with goods produced by the sweat of exploited workers abroad, and then subsidized by their governments so that they enter our market at prices which undercut goods produced by American workers.

And we have to unite in opposition to candidates whose allegiance lies, not with working people and their families, but whose loyalties run, instead, to the wealthy, to giant corporations, to the privileged class.

We have to give America back to the working people who made it what it has been in the past, and what it can become again in the future.

No Worker Stands Alone

WITH BANDS AND BANNERS, Labor Day marchers in New York will be carrying on a 100-year tradition.

Police will stop traffic to let the parade pass, not beat back marchers with water cannons and concussion grenades as in Gdansk, where Polish workers sought to march in peace on the second anniversary of Solidarnosc.

But lest we forget, America's workers have also faced clubs and tear gas—and live bullets, too—both before and after that first Labor Day parade in 1882.

The railroad strikes in 1877, sparked by a wage cut, led to pitched battles between armed troops and workers in Baltimore, Pittsburgh, Chicago and scores of cities across the land.

In 1892, 10 years after the first Labor Day parade, at Andrew Carnegie's steel works at Homestead, Pa., Pinkerton detectives fired on strikers and the state militia was called in to break the union.

The National Guard attack on a tent colony of striking miners in Ludlow, Colo., in 1914 left 11 children and two women dead.

There are union members today who don't need a history book to recall the Memorial Day shooting of Republic Steel strikers and the threats and beatings faced by a generation of union organizers.

In the United States, as in Poland, workers have faced guns and clubs when they asserted the right to form free unions.

THERE IS an obvious difference, of course.

Through free elections, the basic right to organize has been achieved by law. The sheriff or governor who tries to put the might of government on the side of employers in labor disputes must at least answer to the voters and the courts.

But our days of struggle are recent enough so that the battle for survival by Solidarnosc is clearly identifiable as our battle, as the battle of free workers everywhere.

Just a year ago this month, at the Solidarity Day rally that stretched as far as the eye could see from the Washington Monument grounds to the steps of the Capitol, AFL-CIO President Lane Kirkland called out to the vast gathering: "Look around you. You are not alone."

On the second anniversary of Solidarnosc, the shipyard workers in Gdansk who had launched the first free trade union movement in a communist country converged at the monument that had been erected to commemorate workers killed in a 1970 demonstration for democratic rights.

A New York Times account quotes a young woman who defied the authorities to join the shipyard workers in their show of support for their suppressed union.

She told the Times reporter that she came because she wanted to show the shipyard workers that "you are not alone."

Let that be part of the Labor Day message of America's trade union movement as well.

To our brothers and sisters in Poland, and wherever else workers cannot march in peace this Labor Day, you are not alone.

That's what Solidarity is all about.

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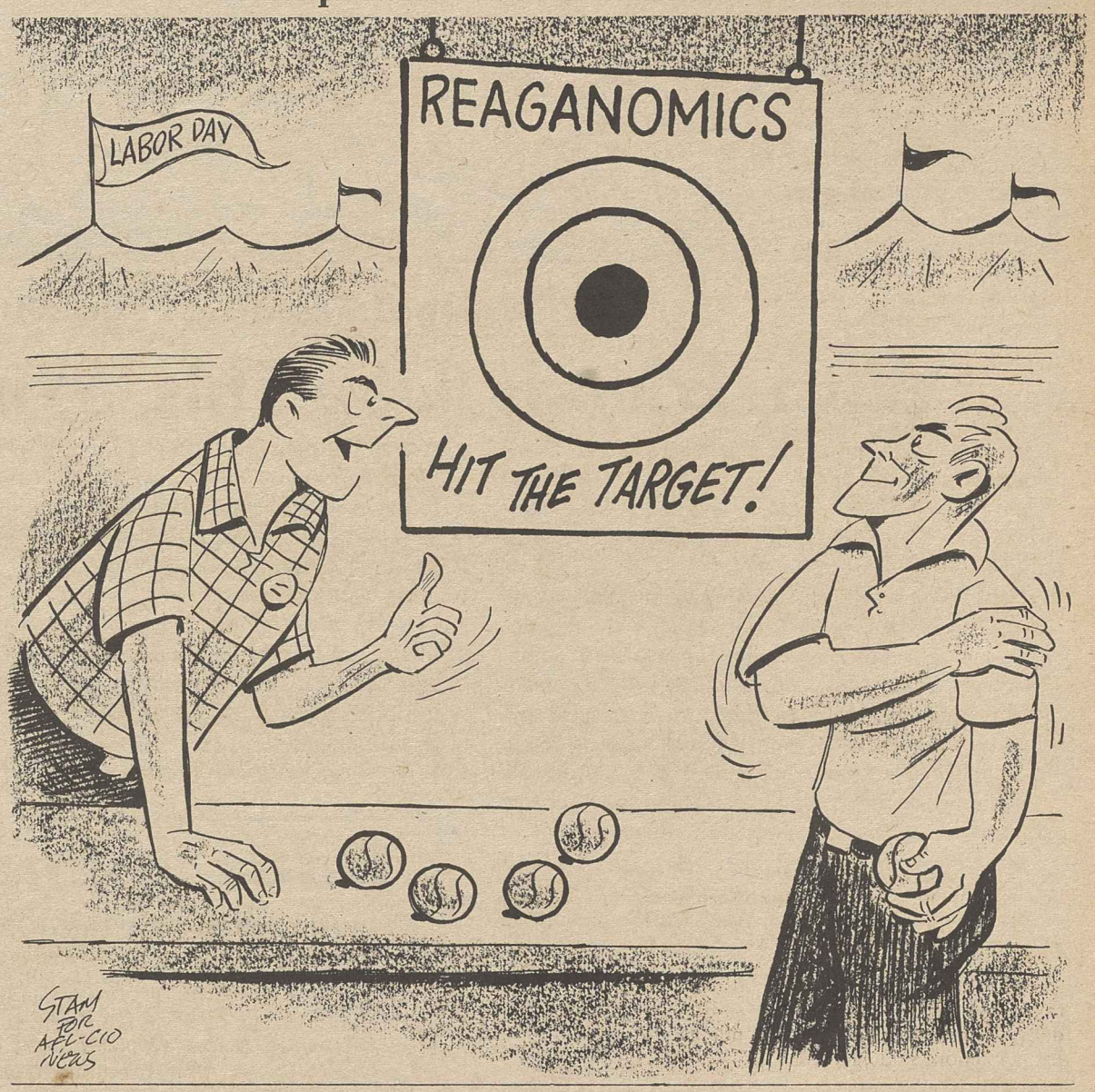

In Catch-Up Bargaining

NFL Team Owners Reminded Football Players Are the Game

By Press Associates, Inc.

WE ARE THE GAME. That's the rallying cry of the National Football League Players Association in its struggle to win a decent contract and establish a strong union.

If that slogan accurately reflects a sense of unity among the players and a recognition of their self-worth, it could mark an important turning point for the young organization.

It recalls the "I Am A Man" placards carried by the sanitation workers of Memphis, who finally won their fight when Martin Luther King, Jr., gave his life in their cause.

The millionaire owners of the football teams, in their arrogance and obstinacy, bring to mind the Carnegies and Fricks and Fords and Boulwares and J. P. Stevens of other union struggles. In this day, it seems strange to have to quote the Supreme Court decision of 1937 upholding the Wagner Act.

Chief Justice Hughes wrote for the majority: "Employees have as clear a right to organize and select their representatives for lawful purposes as the respondent has to organize its business and select its own officers and agents. . . . Long ago we stated the reason for labor organizations. We said that they were organized out of the necessities of the situation; that a single employee was helpless in dealing with an employer. . . ."

IN FOOTBALL, the individual is helpless. About 97 percent of the players have individual contracts, but they are worthless if a player "flunks" a physical or is cut from the squad.

The union's primary goal in the current talks is to enable most pro football players to catch up with those in other major sports. About two-thirds of the 1,500 pro football players make in the $40,000-to-$70,000 range, according to the union. Management claims the average is $90,000. In baseball, the average salary last year was $192,000 and in basketball, the average was $215,000.

The owners are hardly pleading poverty. The new $2-billion television contract means that each of the 28 teams will receive $14 million in 1982 from TV revenue alone, an increase of $8 million per team. It is estimated the NFL will gross $640 million in 1982, or about $23 million per team.

When the time is right, the owners are expected to shift to pay TV. Now rolling in millions, they will be rolling in billions.

That's why the NFLPA is seeking a percentage of the gross now, aiming at 55 percent. When there were two leagues in the 1960s, the bidding for players meant salaries took 67 percent of gross revenues. After the merger, the union said, collusion between the owners held down salary levels and player starting salaries now amount to 32 percent of the gross. In baseball, they account for over 50 percent and in basketball about 66 percent.

BUT WHILE money gets the publicity, safety is the most important common concern of the players and the union. The nature of the game and playing on the hard surfaces that underlie artificial turf have shortened careers to an average of 4.2 years.

"One injury and it's all over," says NLFPA Executive Director Ed Garvey, citing several permanently disabled players and many with stiff knees and plastic knees and hips.

The union believes its demand for a percentage of the gross will enable it to establish a more equitable salary structure, protect both veterans and rookies, and lengthen careers. It wants access to medical records, an equal voice in the rules to reduce injuries, and it wants artificial surfaces replaced by natural turf.

THE PLAYERS' UNION in recent years has been solidifying its ties within the labor movement. All 28 team "locals" are affiliated with AFL-CIO state federations and local central bodies. The players always have been active in working with youth and in charity campaigns. Now they are taking part in the AFL-CIO organizing drive in Houston and in individual union campaigns.

In a time of high unemployment, the players are especially sensitive. "We don't expect an unemployed auto worker to have sympathy for our level of income, but to understand the common struggle," said Upshaw. "The figures are different, but the career length is different too."

There have been many, many workers from the mines, the mills and the assembly lines who were worn out at 50 or 55 and dumped on the human slagheap by employers. They probably would understand.

MEMO FROM COPE

RTW Legal Front . . . . The Worker's Buddy

With 'Friends' Like This, Who Needs Enemies?

Do you know *what* the National Right to Work Legal Foundation is? It's a spin-off of the National Right to Work (for less) Committee (NRTWC), which has been pushing for state compulsory open shop laws for nearly 30 years.

NRTWC created its legal arm in 1968 to go hunt around the country for disgruntled union members willing to enter court suits against their union. The legal foundation then produces lawyers, and it finances and masterminds the court fight. Now and then, it wins one. But even when it loses, it gets a lot of mileage out of the harassment of target unions.

It claims it's only trying to safeguard the "freedom of workers against the abuses of union power."

So that's *what* it is, and what it *says* it is.

The interesting question, though, is not so much *what* it is, but *who* it is. Who are the people so worried about the "abuses of union power" that they collect and spend millions of dollars on court cases to protect workers' "freedom" this way? Who could be such good friends of working people?

Well, only one of their 14-member board of trustees is himself a worker. The rest are corporate leaders, lawyers, writers, professional anti-unionists—most of them with long and close connections to the right wing. The trustees follow:

► *Reed Larson*—President not only of the legal defense foundation, but of the national RTW committee, as well. Has been with NRTWC since 1959. The legal arm is believed to be his brain-child. Larson made a splash for anti-union forces in Kansas in 1958, when he led successful referendum drive for work-for-less law in a year when voters in five other states forcefully slammed the door on it at the polls.

Larson is a member of the Council for National Policy, a super-group bringing together leaders of the so-called "new right" and the "religious right" for joint planning on goals and strategy.

Larson is treated like a hero in "new right" publications, gets a lot of space in monthly *Conservative Digest,* put out by "new right" top banana and direct-mail specialist Richard Viguerie. All this notwithstanding the fact that the RTW movement under Larson has gained just one state in the more than 20 years he's been its leader, despite the millions of dollars of contributors' money he's spent.

► *Whiteford S. Blakeney*—North Carolina attorney who represented, without fee, rail workers who sued their union. Has been board member of RTW committee as well as legal foundation.

► *John A. Davenport*—Retired editor of *Fortune* magazine, active in a number of right wing organizations. Charter member of Mont Pelerin Society, an old-line right wing "think" group. Former director of American Conservative Union, which has led the fight to dismantle OSHA. Member of Free Society Association, organized after 1964 presidential election to continue to promote ideology of Sen. Barry Goldwater.

► *Shelby Cullom Davis*—Investment banker; trustee of Heritage Foundation, right wing think-tank, founded and funded by union-busting beer tycoon Joe Coors. Active in NRTWC as well as its legal foundation.

► *O. C. Fisher*—Former Texas congressman (AFL-CIO voting record 15 "right," 122 "wrong"—90 percent "wrong"), one-time patron of Young Americans for Freedom, the "new right" farm system where they clone Richard Viguerie and other leaders so there'll always be a fresh supply.

► *Mrs. W. St. John Garwood*—Writer; big contributor to National Conservative Political Action Committee, one of "new right's" most active, most effective PACs. Also helps fund Conservative Victory Fund (fostered by American Conservative Union), and Young America's Campaign Committee (YAF's PAC).

► *Robert M. Gaylord Jr.*—Principal officer of Ingersoll Milling, Rockford, Ill., and of Ingersoll Foundation which helps fund numbers of right wing groups, as does his personal money. Former president National Association of Manufacturers, which three years back launched the Council for a Union Free Environment offering professional union-busting guidance to corporations.

► *Thomas J. Harris*—Chairman of RTW legal foundation's board of trustees. Spearheaded unsuccessful Oklahoma for-less referendum drive in 1964.

► *J. P. Humphreys*—Former executive, National Cash Register Co. Trustee, Foundation for Economic Education, a right wing group on the scene for years distributing ultra-conservative studies on economic matters.

► *William K. Lomason*—Auto executive; vice president, Michigan Citizens for Right to Work.

► *Raymond C. Losornio*—Only worker in the crowd; past president, still member of Tulsa, Okla. Local 386, unaffiliated National Federation of Federal Employes. Present chairman, National RTW for-less group; past president, Oklahomans for RTW.

► *Mrs. John G. Pew*—Former member, Pennsylvanians for Right to Work; present board member NRTWC. Member of Sun Oil Pew family which had numerous ties to "old right" and helped fund John Birch Society and way-out Liberty Lobby.

► *Menlo F. Smith*—Corporate board chairman; board member of National Legal Center for the Public Interest, an ultra-conservative group which patterns itself after liberal public interest law groups, but opposes them and their objectives. Generous contributor to right wing organizations.

► *Louis E. Weiss*—Corporate president. Official of NRTWC and Americans Against Union Control of Government, "new right" group whose specific aim is to weaken public employee unionism. Director of Center on National Labor Policy, organized to prevent "the abuse of labor union power," which includes pretty much same cast of characters as NRTWC, the legal foundation and other rightist groups that make careers of attacking unions.

Odds 'n Ends

REQUIEM FOR ADMINISTRATION is said by "new right" leaders, continuing angry at Reagan Administration for what they think is its tepid pursuit of their agenda. "New Right Report," a Richard Viguerie publication, says: "A recent high-level strategy meeting of 30 conservative leaders (concluded) that the Reagan Administration no longer exists." It goes on to blame "senior Reagan advisors," says it's necessary for rightist groups to push their agenda "independent of the administration."

'GETTING TO KNOW YOU' not a bad song for members of the U.S. House to start singing to their constituents. Recent Gallup Poll shows only 46 percent of voters can name their representative in Congress. Apparently, recognition and interest grow with age. Only 29 percent of the 18-29 age group could name their representative; 52 percent of the 30-49 age group, 55 percent of those 50 and older.

FROM ANONYMOUS observer: "Reaganomics is giving voodoo a bad name."

TALK ABOUT FOUL-UPS, here's what happened to GOP Rep. Phil Ruppe who's challenging Sen. Don Riegle (D) in Michigan. Ruppe campaign sent information packet to about 2,000 PACs. Here's a sequence as it showed up in a printed question-and-answer sheet: *Question:* Who is best suited to handle the future energy problems the U.S. faces? *Answer:* Don Riegle, of course. *Question:* Who are the big pro-government groups supporting in the Senate election? *Answer:* Phil Ruppe, of course.

SO-CALLED 'FAMILY' agenda of new right and religious right political action groups takes some strange turns. Several religious right groups put out voting records that describe the notion of adjusting income tax brackets to inflation as a "key moral/family issue." They explain it's a "family" issue because it can offset "the ruinous and immoral effects of inflation."

RECORD NUMBER of initiatives in the states, with more than 50 expected to get place on November ballot out of the 190-plus for which signatures are being sought. That's a mess of them, since only 23 states allow the process. They range from efforts to try to increase alcohol content of dessert wine to protection of the moose to abolition of daylight savings time. Many promote new tax limitations, nuclear power curtailment, tightening of welfare laws.

BIG BUCKS FOR BIG OIL show up in PAC reports. The 183 political committees formed by the oil and gas industries had already kicked in $3,074,882 to favored candidates as of May 31 of this year. They had an additional $1,245,076 on hand and have doubtless collected a bundle more. They've already put $77,615 into the re-election campaign of Sen. Orrin Hatch (Utah), chairman of the Senate Labor Committee, and $66,750 has gone to Rep. Phil Gramm (Texas), a leader of the so-called "Boll Weevils" in the House, a group of Reagan-supporting Democrats.

No Votes Count!

COPE Memo **tries to keep tabs on close elections to demonstrate how much one vote can mean.**

Well here's a switch. Here's an election where *no* votes counted.

Because nobody voted!

Recently, Dayton, Ohio Precinct 1-D held an election to determine whether to allow Sunday carry-out liquor sales in the University of Dayton area.

Result: 0-0. No votes. Zip. Naught. Nothing.

On the Other Hand . . .

Elsewhere in Ohio . . . voters in the school district of Lake Township might have another go-around this November on a school levy that passed a year ago. Because the vote was so close the first time, some citizens petitioned for another try.

How close the first time? Two votes—1152-1150. One vote counts!

Whatever Happened to . . .?

Whatever happened to President Reagan's prophecy in presenting his original budget on Feb. 18, 1981, a month after taking office?

He specifically predicted rapid economic growth and a swift and huge decline in the federal budget deficit. He told the country that:

- **In fiscal 1982, the budget deficit would be $45 billion.**
- **In fiscal 1983, the budget deficit would be $22.8 billion.**
- **In fiscal 1984, the budget would be balanced.**
- **In fiscal 1985, Reaganomics would create a budget *surplus* of $5.89 billion.**

To answer the question "whatever happened to . . ." here's President Reagan Aug. 12, 1982: "We warned you in the beginning that there would be no instant miracles."

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LEGISLATIVE ALERT!

PAGE 8

Unemployment Sticks at 9.8%

100TH ANNIVERSARY Labor Day parade along New York City's Fifth Avenue drew more than 400,000 participants, double last year's attendance. Local union delegations waving banners, flags and signs were accompanied by bands, floats, and the city's famed Radio City Music Hall Rockettes in a seven-hour parade led by Grand Marshal Michael Mann, the AFL-CIO's regional director, and New York City AFL-CIO President Harry Van Arsdale.

Kirkland Calls Jobless Level 'No 1 Scandal'

By James M. Shevis

Unemployment "continues to be the number one scandal" in America, the AFL-CIO declared as the Bureau of Labor Statistics reported the nation's jobless rate held steady at 9.8 percent in August, matching the highest rate of the past 40 years.

"The White House has abandoned working people," Federation President Lane Kirkland told a news conference following release of the employment figures. "Congress must quickly enact a recovery program that will put Americans back to work."

THE NUMBER of officially unemployed workers, 10.8 million, is so large that the total of jobless men, women, and young people would stretch 4,000 miles, long enough to reach from coast to coast and part way back again, Kirkland said. But the BLS figures do not tell the true extent of joblessness in America, he stressed.

Kirkland pointed out that the official jobless rate excludes "discouraged" workers—those who want to work but have given up looking because they do not think jobs exist for them—and people working part-time because they cannot find full-time jobs. The BLS reported there were about 1.5 million discouraged workers in the second quarter and another 5.6 million working part-time for economic reasons.

If all of the discouraged workers and half the number of those working part-time for economic reasons were added to the official jobless count, true unemployment in America today would come to 15.3 million, or a jobless rate of 13.6 percent, the AFL-CIO Dept. of Economic Research calculated.

"THE MESSAGE carried by these figures is that unemployment continues to be the number one scandal in this country," Kirkland said. "The message is that the suffering which the policies of the Reagan

(Continued on Page 4)

Solidarity Spirit Marks Labor Day Celebrations

By Susan Dunlop

A strong current of solidarity and a determined mood to use political action to reverse the damage done by the Reagan Administration spurred hundreds of thousands of union members to turn out for one of the largest rounds of Labor Day activities in recent years.

Parades, rallies and outings combined traditional family festivities with opportunities to speak out on the jobs crisis and the faltering economy. In many cities, state and local central labor bodies reported the largest turnouts ever for their Labor Day observances.

THE REAGAN Administration and its supporters in state and congressional offices were denounced at rally after rally for bringing on the crippling recession and the highest jobless rate since World War II.

Attendance at New York's parade topped 400,000, nearly double the number that participated the year before. The march also marked the 100th anniversary of the first Labor Day parade, held in New York on Sept. 5, 1882.

The parade's grand marshal. AFL-CIO Region VII Director Michael Mann, and marchers in the seven-hour parade up Fifth Avenue "were in a real fighting mood" brought on by the Reagan Recession and unemployment as well as attacks on labor standards and critical social programs.

"WE HOPE the message was heard all the way to the White House in Washington," Mann said.

Hundreds of bands, colorful floats and marching contingents from some 250 area unions stepped off in the parade whose theme was "Jobs, Solidarity and March to the Polls Nov. 2."

Lt. Gov. Mario Cuomo, the COPE endorsed candidate in New York's Democratic gubernatorial primary, announced that the state had proclaimed the first week in September "Shop Stewards Week" in line with the AFL-CIO's call for recognition of stewards during that period.

(Continued on Page 5)

House Rejects Reagan's Veto Of Funding Bill

The House voted 301-117 to override a presidential veto that would have killed funds for part-time jobs for the elderly and for school programs to help the most disadvantaged children.

Funds for these and other labor-supported programs that the Administration wants to cut back were included in an emergency appropriations bill President Reagan attacked as a "budget-buster."

THE HOUSE VOTE to override—22 more than the required two-thirds—shifted the battle to the Senate, where Republicans have an outright majority.

In the House, 220 Democrats were joined by 81 Republicans on the vote to override. Thirteen Democrats voted with 104 Republicans to support the veto.

The AFL-CIO had urged House members to override the veto, stressing that the total amount involved was less than the

(Continued on Page 6)

Strange Cult

LaRouche's Ambitious Designs on Labor

By Wesley McCune

Special to the AFL-CIO News

One of the early ambitions of Lyndon LaRouche in his checkered left/right career was to take over the AFL-CIO and the American labor movement, among other institutions, as a step toward seizing power in the United States.

Like most of his ambitions, such as being elected President of the United States, the aim was wildly boastful; but in failing to achieve his goals LaRouche has manipulated, deceived, infiltrated and caused endless mischief. Including within the labor movement.

Wesley McCune, the author of this series, is director of Group Research, Inc., which keeps watch on extremist groups of both the left and right.

The mischief apparently started in the late Sixties, when he split with some radical student activists and organized the National Caucus of Labor Committees and made himself some kind of self-ordained labor figure.

From a position far to the left of the recognized labor movement, LaRouche

Last of three articles

also operated several front groups with vague labor connotations in their names and then started the U.S. Labor Party. During both phases, which blended and overlapped, he has alternately courted and attacked various labor unions.

In the early Seventies, his organizations conducted a bitter propaganda campaign against national union leaders, frequently charging them with being part of LaRouche's imagined conspiracy of world figures, such as the late Nelson Rockefeller, with law-enforcement agencies to enslave the world.

ROAMING GROUPS have harassed many local unions, and the organization's newspaper, New Solidarity, has been sold at plant gates to stir up dissension. For example, USLP tried unsuccessfully some years ago to get a United Auto Workers group in Detroit to pass a resolution describing three international union presidents and Lane Kirkland as "labor traitors."

The UAW's Leonard Woodcock was a particular target of the agitators, although

(Continued on Page 2)

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28/11/6

Strange Cult

Labor an Early Target for LaRouche

(Continued from Page 1)

it was difficult, as usual, to tell just why he was being picked on.

Probably the best clinical example of how LaRouche's dedicated troops have tried to cause trade union dissension occurred in York, Pa., where all the tricks were used to discredit veteran labor leaders.

OPERATING with a handful of agents who set up headquarters in York, augmented by trouble-makers brought in occasionally from nearby cities, a concerted smear campaign was run against the district representative of the Machinists, who was also president of the Central Labor Council; the vice president of the council, and the international representative of the United Furniture Workers. All had deep roots in the community.

After being denied admission to a meeting on unemployment, the agents sued the union officials (charges were thrown out) and put out a leaflet implying crudely that they were homosexuals.

The trade unionists and their families also received threatening, sometimes obscene, phone calls, and other leaflets listed their phone numbers, urging people to "call these creeps and let them know how you feel about their gestapo tactics."

TYPICALLY, there was no specifically stated position—just stirring up trouble. One leaflet was captioned STOP FASCISM IN YORK, VOTE U.S. LABOR PARTY.

At the same time—the other side of the coin—LaRouche has been directing a cozying up to unions around the country, if not an outright attempt to infiltrate them. This operation has been more subtle, more sophisticated, but adds to his reputation for being schizophrenic, irrational, opportunistic or diabolic.

Some of the confusion he creates comes from occasional publications on subjects apparently dear to the worker's heart. For example, during his 1980 run for the Presidency (as a Democrat), LaRouche issued an attractive 30-page pamphlet titled "How to End Inflation and Unemployment," although a fair reading of it would leave a very confused impression, if any.

ABOUT THE same time—and during national debate on the subject—he put out a policy statement titled "Do Not Repeal The 'Davis-Bacon' Law," a polemic praising Alexander Hamilton and attacking the British but not mentioning organized labor's opposition to repeal of the law.

By the late Seventies, the U.S. Labor Party had dropped its attack on trade unions and adopted a tactic of snuggling up to liberal organizations and almost any other it could get a kind word from, perhaps because its leader was running for President—without, of course, any backing from the traditional elements of the Democratic Party.

For instance, LaRouche conducted a heavy courtship with the National Farmers Organization, a Midwest group more concerned with commodity price stabilization than with ideology, but was quickly rejected.

More significantly, LaRouche went after the Teamsters, preying particularly on the existence of a dissident "reform" group within the union which they could attack. In the Midwest, at least, they scored with some leaders and helped distribute disruptive material, but when it could have appeared that the Teamsters were endorsing LaRouche for President, the national office stepped in.

The late Frank Fitzsimmons, president of the union, wrote LaRouche campaign committees that "nothing could be further from the truth." He added that the union's executive board at its January 1978 meeting "unanimously adopted a resolution disclaiming any association by the Teamsters with the U.S. Labor Party, noting that the U.S. Labor Party is not in harmony with the aims and goals of the U.S. labor movement" and that "any suggestions to the contrary are false and misleading."

And the letter was displayed in the July 1979 issue of the union's official magazine.

One of the movement's cruder techniques, calling labor papers in the name of legitimate reporters, has been refined into the technique of establishing a special labor editor for at least one of LaRouche's slick magazines, Executive Intelligence Review. Using that title, the apparatus requests background and biographical material from unions on a friendly basis.

YET THE Jan. 12 issue of EIR magazine this year contained an item about AFL-CIO Sec.-Treas. Thomas R. Donahue which was headlined: "AFL-CIO joins DNC in fascist organizing drive."

Previous overtures to the AFL-CIO headquarters on behalf of LaRouche's latest organizational gimmick, the National Democratic Policy Committee, were totally rebuffed, and word was sent out to affiliates to "ignore all solicitations from this group and advise your local unions so that they will not be manipulated by these misrepresentations."

Then union officials, particularly editors, were barraged with requests for cooperation from a new publication called American Labor Beacon. Quick checks disclosed that its editor and publisher, Larry Sherman and Allan Friedman, had been very big in the LaRouche movement.

ALTHOUGH BOTH responded to inquiries by declaring that they were no longer connected with LaRouche—and were even critical of him—AFL-CIO President Lane Kirkland issued an advisory to affiliates "not to join or to contribute to such groups," and the International Labor Press Association advised that "cooperation with this publication or the purchase of subscriptions should be discouraged."

As one editor put it, "finding what LaRouche really stands for is as hard as finding a union bug on his publications."

NO RHYME OR REASON, except unquestioned allegiance to the ambitions of Lyndon H. LaRouche, Jr., marks the LaRouche cult's wild swings along the political spectrum. Headlines from the cult's publications chart the murky path of LaRouche's thinking. One consistent theme is anti-Semitism, sometimes cloaked in the code words "Britain" or "British" in reference to the Rothschilds and other prominent banking families with Jewish surnames located in London.

LaRouche Spinoff?

'Labor Beacon' Woos Unions with Cryptic Line

Detroit—Another product of the Lyndon LaRouche operation that has tried to foist itself upon the labor movement is the American Labor Beacon, published ten times a year by a group called Beacon News Service.

LaRouche was involved in starting the Beacon at the end of 1980. Although the Detroit-based Beacon members profess to have split from LaRouche a year later, their monthly sheet is not much different than it was under LaRouche.

THE PUBLISHER, Allan Friedman, was a long-time Midwest leader of LaRouche's now-defunct U.S. Labor Party. The editor, Larry Sherman, was a USLP candidate in Massachusetts throughout the 1970s.

While Sherman and Friedman were members, the U.S. Labor Party associated itself with the most reactionary groups in the country, such as the John Birch Society, the Ku Klux Klan and the Liberty Lobby. These alliances were initiated from 1974 to 1977, while the purported split by Sherman and Friedman did not occur until October 1981.

The November-December 1981 issue of the Beacon sought to give the impression that Sherman and Friedman had never been affiliated with LaRouche. In response to a printed letter, they said they had been "investigating the LaRouche organization for a period of time." What they did not say was that they had occupied leadership roles in his organization for close to a decade.

THERE ARE other examples of the Beacon's two-faced nature. Although it attacks the FBI's use of informants, Sherman himself once served as an informant for the FBI in New England.

The first issue of the Beacon professed to be "by, for and of the laboring man in America." But when they were openly with LaRouche, the Detroit people also had a company called Renaissance Printing which, according to the Detroit Typographical Union, went non-union in July 1981, just before Sherman and Friedman supposedly split away. There is still a Renaissance Printing company in Detroit, still in the same building with the Beacon, and still non-union. Further, it cleans its own offices and refuses to let the building's cleaning crews, members of the Service Employees, into its quarters. Meanwhile, Sherman and Friedman have had the Beacon printed at various local firms —at least four to date—in order to gain display of the union label.

The Beacon seeks to spread its "message" to local unions, particularly in the building trades, with high-pressure telephone sales pitches for subscriptions. Among its offerings are "exposés" of anti-union construction companies, such as Brown & Root. The thin report on that firm retails at $200 for 50 copies and contains little more than newspaper clips.

Also, while the Beacon claims to be serving the labor movement, it backed the Reagan Administration as a whole and its business-oriented supply side economics. It gave early and strong support to the policies of Labor Sec. Raymond Donovan.

Two other organizations appear to be outgrowths of Beacon activities.

The first is a so-called Committee Against Brilab and Abscam, which was announced when the Beacon first began publishing.

AFL-CIO President Lane Kirkland warned at the time that the committee was "organized by individuals whose long-term interests are incompatible with those of trade unions." He advised federation affiliates to steer clear.

THE SECOND group that seems to be affiliated with the Beacon is Intellico. A union official familiar with its material characterized it as an "intelligence group." Larry Sherman's name is on the cover of a document written by Intellico that is believed to be filled with misinformation about other unionists.

When the Intellico operation was first discovered by a Charleston, W.Va., newspaper, the Beacon staff acknowledged that they "accept calls" for Intellico, but later denied it.

Whether Intellico, the Beacon, or other fronts, the formula is similar to LaRouche's. The publications try to link dissidents to Wall Street financiers; suggest that alleged organized crime figures are being persecuted by the Justice Dept., and reprint some legitimate information clipped from commercial newspapers. In fact, the International Labor Press Association found that the Beacon "News Service" consisted almost entirely of clippings from commercial newspapers.

The ILPA executive council described the Beacon as "little more than an extended—and not very coherent—editorial . . . full of unsubstantiated claims and stories of questionable validity designed to paint the labor movement and some people in it as martyrs and victims."

Why This Series?

The material on these pages concludes the AFL-CIO News series on Lyndon LaRouche, but not the paper's coverage of LaRouche operations that seek to disrupt organized labor's efforts to advance the interests of workers.

The series was designed to present a broad overview of the LaRouche organization, its tactics, philosophy and fronts, and alert trade unionists to LaRouche's attempts to identify with the labor movement, create mischief in its ranks, and ultimately take it over.

The News will continue to report on the activities of this extremist group and its leader.

Alabama GM Plants Gained In Card Check

Decatur, Ala.—The Auto Workers have won recognition as sole bargaining agent for some 1,700 workers at the Saginaw Steering Gear facility near here, the largest non-union General Motors Corp. operation in the country.

The organizing victory came without an election after an independent arbitrator certified that a majority of the employees had signed authorization cards designating the UAW to represent them.

The win at the three-plant Saginaw complex means that of 141 GM plants in 91 cities in 26 states only two small plants remain non-union. They are the Delco-Remy plants in Laurel, Miss., and in Anaheim, Calif.

UAW PRESIDENT Douglas A. Fraser called the victory "a testimonial to the courage and commitment of the men and women" at the Saginaw plant that capped six years of intense organizing activities.

Martin Gerber, UAW vice president and organizing director, hailed the recognition as a "major victory" that "gives new impetus to ongoing efforts to organize the many unorganized competitor plants in the country."

General Motors agreed earlier this year to recognize the UAW at any plant where it obtained signed authorization from a majority of production workers. Under this procedure, the union won recognition in April as bargaining agent for 415 workers at a Delco-Remy plant in Meridian, Miss., and in August for 300 workers at a Delco-Remy plant in Fitzgerald, Ga.

The agreement brings the Saginaw employees under the new UAW-GM master agreement reached last March. The pact's provisions include a two-year moratorium on plant closings, a prepaid legal assistance plan, and supplemental unemployment benefits.

Otero Appointed to Board Of Hispanic Policy Group

Jack F. Otero has been named to the executive board of the Hispanic Policy Development Project (HPDP) a non-profit organization concerned with educational, employment and social services issues.

Otero is vice president of the Railway & Airline Clerks and executive vice president of the Labor Council for Latin American Advancement.

SHOW OF UNITY by state and national labor officers celebrates the reaffiliation of over 350,000 Auto Workers members in Michigan with the State AFL-CIO, ending a 13-year separation. The reaffiliation was sealed at a two-day unity conference in Detroit following special conventions of the Michigan AFL-CIO and the Michigan UAW Community Action Program. At the press conference announcing the action are, from left, State AFL-CIO President William C. Marshall, newly elected Michigan AFL-CIO Executive Vice President Sam Fishman, AFL-CIO President Lane Kirkland, UAW President Douglas Fraser and UAW Vice President Don Ephlin, who is chairman of Michigan UAW-CAP.

350,000 Auto Workers Reaffiliate To Strengthen Michigan AFL-CIO

Detroit—What AFL-CIO President Lane Kirkland called a "reunited and re-energized Michigan labor movement" came into being Sept. 1 when delegates to a special convention of the Michigan United Auto Workers Community Action Program (UAW-CAP) voted unanimously to reaffiliate their more than 350,000 members with the Michigan AFL-CIO.

Following their vote, the 750 UAW-CAP delegates and more than 600 delegates who had attended a special Michigan AFL-CIO convention the previous day, met in a two-day "Unity Convention," co-chaired by State AFL-CIO President William C. Marshall and UAW Vice President Don Ephlin.

MARSHALL AND EPHLIN had headed a committee representing both organizations that had worked for a number of months to achieve the reaffiliation and end the separation that began when the Auto Workers disaffiliated in 1968.

The UAW's return brings the total membership of the Michigan AFL-CIO to almost three-quarters of a million.

Addressing the opening session of the unity convention, UAW President Douglas Fraser told the delegates "a united labor movement is not only important for this state, but it's important for the nation. My only regret," he added, "is that it didn't happen sooner."

Fraser told the convention delegates that "under the leadership of Lane Kirkland, the AFL-CIO is the most important force for progress in this nation," and called the unity convention "a turning point for Michigan."

BOTH FRASER and Kirkland, who followed him at the podium, castigated the Reagan Administration's economic policies which have plunged Michigan into an economic crisis and given that state an unemployment rate double the national figure. Both stressed the importance of a unified labor movement on the political front, and called on the delegates to redouble their political activities in the days remaining before the Nov. 2 election.

"Now is the time to show what we can do—now when working people are hurting and a hostile administration is rolling back the gains of half a century," Kirkland declared.

"And here is the place to start—here in Michigan, the heartland of industrial trade unionism and the unemployment capital of the United States."

KIRKLAND TOLD the delegates, "Every worker in this state has a vital stake in keeping Don Riegle in the United States Senate . . . every worker has a stake in sending Jim Blanchard to the governor's mansion instead of Richard Headlee, the Reaganites' choice."

He called for the defeat of the "five Michigan congressmen who have voted against workers' interests 70 percent of the time" and the re-election of "the twelve who have been with us more than 75 percent of the time."

In their deliberations preliminary to the unity meeting, Michigan AFL-CIO delegates adopted a series of changes in the state federation's constitution to accommodate the entrance of the UAW. These included establishing the position of executive vice president to serve with the current two officers and increasing the size of both the executive board and executive committees.

Delegates to the unity convention unanimously chose Sam Fishman, executive director of Michigan UAW-CAP, to fill the position of executive vice president. Fishman has been active in the UAW since he was hired as an assembler at Ford Motor Co. He is a former local union president and has headed the union's Michigan political action arm since 1967.

FORTY UAW representatives were named to serve on the enlarged executive board. These include the six international vice presidents—Don Ephlin, Owen Bieber, Odessa Komer, Marc Stepp and Steve Yokich, the six directors of Michigan regions of the union, the Michigan UAW-CAP director and 28 additional members from the six regions.

Walter L. Oliver will continue as secretary-treasurer and Marshall will remain president of the state federation until the next convention in June 1983 when Marshall said he plans to step down.

A Guide to the LaRouche Network

The following appears as an appendix to "The Lyndon LaRouche Cult: Enemy of American Labor," by Dennis King, which is scheduled for publication later this month by the League for Industrial Democracy, 275 Seventh Ave., New York, N.Y. 10001.

National Caucus of Labor Committees (NCLC). The core organization, composed of 400 dedicated LaRouche cultists in about 20 cities from Boston to Los Angeles. The largest concentration is in New York City, where the NCLC and most of its front groups have their national headquarters, and where the NCLC publishes its biweekly newspaper, New Solidarity, and its theoretical journal, The Campaigner.

International Caucus of Labor Committees (ICLC). The umbrella organization for the NCLC and its "co-thinker" organizations founded by LaRouche in Europe and Latin America. The NCLC prefers to use the name ICLC in most of its public pronouncements.

United States Labor Party (USLP). The former electoral arm of the NCLC, through which hundreds of LaRouchian candidates ran for public office in the 1970s but which was abolished when LaRouche became a "Democrat."

National Democratic Policy Committee (NDPC). The front group through which the NCLC is attempting to infiltrate the Democratic Party. The NDPC issues reports, holds seminars, lobbies on Capitol Hill, runs candidates in Democratic primaries, and sponsors limited-purpose groups such as the Committee to Defend Harrison Williams (see below). The NDPC claims to be "committed to economic recovery through low-interest credit, a gold-reserve monetary system, nuclear energy, farm parity, and an end to drug proliferation."

Fusion Energy Foundation (FEF). A tax-exempt organization which sponsors tables at airports where NCLC members sell literature produced by a variety of NCLC business and political fronts. The FEF also lobbies for nuclear power and for a crash program to develop fusion reactors. It claims 20,000 members and over 110,000 subscribers to its glossy monthly, Fusion.

National Anti-Drug Coalition (NADC). Like the FEF, a nominal sponsor of NCLC literature peddling a solicitation. In particular, the NADC pushes Dope, Inc., a book which alleges that wealthy Jews control the narcotics traffic. The NADC also lobbies for stiffer anti-marijuana laws and publishes the monthly magazine, War on Drugs.

Lafayette Foundation for the Arts and Sciences. Formerly called the Humanist Academy, this front sponsors concerts and symposia as a means of recruiting new followers for LaRouche. It strongly advocates a purge of jazz and rock music from American culture.

New Solidarity International Press Service (NSIPS). The business arm of the NCLC's intelligence staff, employing over 50 researchers, writers, and self-styled security experts. Its files contain potential smear data on thousands of individuals and organizations. Information from these files has been offered on occasion to the FBI, the CIA, state and municipal police departments, and nuclear power companies, as well as foreign intelligence agencies.

Executive Intelligence Review (EIR). A weekly newsmagazine published by the NSIPS.

Investigative Leads. A monthly NSIPS newsletter sent to police chiefs and Red Squad detectives around the country. Claims to be privy to details of assorted terrorist plots.

American Labor Beacon. Monthly newsletter sent to trade union officials, it was founded by Detroit NCLC members in 1980. Its publisher and staff have since resigned from the NCLC.

National Labor Committee to Defend Harrison Williams. With the apparent blessing of former U.S. Sen. Harrison Williams—one of the Abscam defendants—this committee is utilized to draw trade union officials into the orbit of the National Democratic Policy Committee. The Williams committee is the successor to the NCLC's Committee Against Brilab and Abscam (CABA).

Proceedings Available From 1981 Convention

A limited number of copies of the Proceedings of the 14th Constitutional Convention of the AFL-CIO, which was held last November in New York, are available for purchase.

Included in the paperback volume are the 448-page transcript of the four days of convention proceedings and the 373-page report of the AFL-CIO Executive Council, along with an index covering both sections.

Copies of the proceedings, which are priced at $15, are available from the AFL-CIO Pamphlet Division, 815 Sixteenth St., N.W., Washington, D.C. 20006.

Kirkland Scores 'Scandal' of 9.8% Jobless Rate

(Continued from Page 1)

Administration has brought to millions of Americans continues unabated.

"We were promised recovery in the spring, and we got more unemployment," he said. "We were promised recovery in the summer, and we got more layoffs. Now we are entering fall, and the news is still more layoffs and more people desperately seeking work."

Since the August unemployment survey was taken, the jobs picture "has darkened," Kirkland observed. The number of new claims for unemployment benefits has risen sharply, and business bankruptcies have soared to their highest level since the Depression year of 1932.

The immediate prospects for the economy are "bleak," Kirkland told newsmen, adding that he sees no early turnaround in the Reagan Recession that began in July 1981. Unemployment has increased from 7.4 percent when President Reagan took office to the 9.8-percent mark first reached in July of this year and matched last month. That is the highest level since the 9.9-percent annual average in 1941—before monthly figures were kept.

THE RECESSION has hit particularly hard at industries involved in manufacturing durable goods. There was another big drop of 300,000 in full-time jobs in August as joblessness continued to rise in the auto, steel, and rubber industries, in retail trade and in construction.

Much of last month's loss in factory jobs was at the auto industry's expense. After several months of improving job prospects, the unemployment rate for auto workers rose sharply in August to 20.8 percent. Since March 1979, employment in the industry has declined by one-third.

BESIDES THE large decline in full-time jobs and in goods-producing industries, BLS reported another discouraging indicator. The length of the average factory workweek, after having risen in the last few months, fell a seasonally adjusted three-tenths of an hour to 39 hours, erasing the small gains that had occurred since April. Factory overtime was unchanged at 2.4 hours a week.

Although BLS reported a rise of 107,000 in total employment to 99.8 million, the labor force rose over the month even more —by 122,000—to 110.6 million, lifting the official number of out-of-work Americans by 15,000.

Most major job categories showed no significant change between July and August. The largest monthly increases occurred among minorities, with the jobless rate for black workers rising from 18.5 to 18.8 percent and for workers of Hispanic origin, from 13.9 to 14.6 percent. For black teenagers, the rate jumped from 49.7 to 51.6 percent over the month.

AFTER RISING sharply since last summer, the jobless rate for adult men edged up one-tenth of 1 percent to 8.9 percent. The rate for adult women was down two-tenths of 1 percent at 8.2 percent. Jobless rates for whites, teenagers, and full-time workers remained close to their July levels.

By industry, the biggest jump in the jobless rate was for transportation workers, up from 6.1 percent in July to 7 percent last month. The rate for farm workers increased from 13.8 to 14.3 percent, while that of factory workers rose from 12 to 12.1 percent. Rates in the construction, finance, and government sectors remained unchanged at 20.3 percent, 7 percent and 4.6 percent, respectively.

State unemployment data showed higher jobless rates in Michigan, 15.2 percent; Ohio, 12.7 percent; New Jersey, 9.2 percent; New York, 8.5 percent, and Florida, 7.7 percent. The rate for Massachusetts dropped from 9.5 to 7.3 percent and for Illinois from 12.3 to 11.8 percent, the government said.

HUNDREDS OF PROTESTERS, including trade union representatives, demonstrated in front of the Polish consulate in New York City Aug. 31 on the second anniversary of the creation of the Solidarity free trade union movement in Poland. Speakers at the rally included Bayard Rustin of the A. Philip Randolph Institute and New York Mayor Edward Koch.

Broadcast Messages Stress Harsh Impact of Reaganomics

The goal of the labor movement is to create "the healthiest, best-educated, most productive and most creative society" possible, and full employment is the "first step" toward that objective, AFL-CIO President Lane Kirkland stressed in a Labor Day radio address to the nation.

Full employment should be the "chief goal" of any society, Kirkland declared, warning that joblessness is "the worst and most destructive problem our nation faces today.

HE ASSAILED President Reagan for virtually ignoring the plight of millions of unemployed workers, and he pledged in the address carried over the NBC radio network that the labor movement intends to do "everything in our power" to bring about progress toward its goals "before the next Labor Day rolls around."

In other traditional Labor Day radio broadcasts, Sec.-Treas. Thomas R. Donahue told the CBS audience that the labor movement's concern for the well-being of all Americans dates from long before Labor Day became an official national holiday. AFL-CIO Vice President John H. Lyons said on the Mutual network that the labor movement's dedication to social and economic justice should be a rallying point for those who want to return the nation to economic growth and social advancement.

On Sunday, Sept. 5, Kirkland was interviewed on the ABC telvision program, "This Week with David Brinkley," and AFL-CIO Vice President Douglas A. Fraser appeared on NBC's "Meet the Press."

IN HIS radio message, Kirkland noted that by custom national leaders "search out the most glowing words they can find" on Labor Day to pay tribute to the dignity of work and the social and economic value of America's working people. But now, because of policies that have been in force for the other 364 days of the year, "American workers have less to celebrate on Labor Day 1982 than at any other time in nearly a half-century," he said.

Kirkland said the official jobless level of 10.8 million people "tells only part of the story," because that number swells to 15.2 million when those who have given up hope of a job and workers forced to work only part-time are included.

"How is it possible for any President to declare that he recognizes the importance of work and the dignity of workers while ignoring that unemployment line?" Kirkland asked.

HE SAID those who denounce "government waste" ignore the consequences of "the waste of human resources" that is taking place because of the Administration's policy of fighting inflation with high unemployment.

"It is hard to imagine," he declared, "a more irresponsible action that could be made in the name of 'fiscal responsibility.' If you waste people, it doesn't really matter what else you save." The American labor movement, Kirkland noted, like the founders of our country, "puts human values above all others."

Donahue also struck the theme of the labor movement's historic concern for protecting the rights of all Americans.

MANY THINGS Americans take for granted today, he said, "are the product of decades of struggle by the trade union movement."

Among those achievements is free public education, Donahue pointed out. And "organized labor was there" and still is in the struggle for social security, for insulation from the impact of unemployment or job-related illness or injury, for civil rights, for decent housing and in the fight to end discrimination against women and minorities, he stressed.

The labor movement was born out of a need to protect workers' rights on the job, but soon grew to a concern for "the lives of workers and their families when the day's work was done," Donahue said.

IN THE process, he observed, "we have enriched the lives," elevated the economic level and advanced the social welfare of all Americans. Labor's continued existence "as part of the social fabric of our nation is compelling proof of the rightness of our cause and of the continuing need for unions in our society," Donahue said.

On "Meet the Press," Fraser told reporters he believed union members are "intelligent, individualistic people who vote their conscience."

There is likely to be a "significant change" in attitude in this November's elections among union members who voted Republican in 1980, he asserted, primarily because "they saw the Carter Administration as not being the most effective in the world . . . and it was just the time for Ronald Reagan to arrive on the scene."

THE IMPACT of "Reaganomics" will mean that union members "in overwhelming numbers" who once voted for Reagan "will be opposing his policies," Fraser predicted.

Lyons told the radio audience that many benefits labor has won for all Americans are being threatened, among them safer workplaces, child labor laws, social security and equal employment opportunity.

The policies of the Reagan Administration "have pushed the country to the brink of economic disaster," he charged.

"Organized labor will not be silent," Lyons pledged. He recalled that the labor movement had "protested the folly and injustices" of the Administration's destructive policies when they were proposed, and protested "the inability or unwillingness of Congress to dissent" from them.

But organized labor will do more than protest, he declared. "We will urge action from Congress now to return our national economy to healthy growth and strength."

Dignity, Value of Work Cited By Leaders of Major Faiths

Work brings dignity and meaning to human life and at the same time is a way to serve God, leaders of the Catholic, Jewish and Protestant faiths declared in Labor Day messages.

Msgr. Francis J. Lally, secretary for social development and world peace of the U.S. Catholic Conference, pointed to Pope John Paul II's recent encyclical on human work, Laborem Exercens. Work, the message says, has to do with the "very identity of the human person . . . with one's dreams for the future and one's ability to love and respect others."

"TO THE DEGREE that we appreciate this special dignity of work, to that degree will we understand the tremendous social and human loss that results when millions of Americans cannot find work."

Rabbi Walter S. Wurzburger, president of the Synagogue Council of America, emphasized that "the Jewish tradition extols labor as one of the three pillars that make the existence of the world possible."

From a religious perspective, he said, "what matters above all is not what we receive, but what we give . . . the worthwhileness of our existence can be gauged by the extent to which we fulfill the religious mandate of imitating our Creator and becoming His partner in the process of creation."

RABBI WURZBURGER said that in a world preoccupied with "instant self-gratification," it is important to stress ideals of service and commitment, "to realize that participation in activities designed to render the world more fit for human habitation represents an important aspect of a meaningful existence."

General Sec. Claire Randall of the National Council of the Churches of Christ said Labor Day "is a good time to remind ourselves of the importance of work in the sight of God.

"One of the precious insights of the Protestant heritage," she said, "is that everyday, secular occupations are not just mundane, servile jobs but are as valuable, as 'holy,' as is full-time service in the church."

IT IS IMPORTANT that human beings serve each other in any way they can, Randall said, "and one's daily labor then becomes not just a means of livelihood but a contribution to the well-being of the world, a sacred offering to God and humankind.

A Labor Day statement issued by the Urban Bishops Coalition, released at the general convention of the Episcopal Church, affirmed their support of "the right and desirability of workers in the United States to organize and form unions."

The bishops stressed that they "decry the growing wave of anti-unionism mounting in the nation today which asks people to forget the struggles that led to this form of negotiation as a just way to settle differences."

THE STATEMENT stressed that "as long as the workplace is organized by the artificial division between ownership and labor, it is necessary to support the right of workers to organize and to negotiate for their rights as employees.

Festive Labor Day Celebration

New Gompers Memorial Dedicated in San Antonio

San Antonio, Tex.—This historic city, whose trade union heritage dates back to the era of the Republic of Texas, proudly displayed its union label over the Labor Day weekend with a joyous parade, the ceremonial unveiling of the Samuel Gompers Memorial, and a round of festivities and special programs.

It was a national event, with AFL-CIO President Lane Kirkland and top officers of a dozen unions joining local and state union leaders on the parade reviewing stand across from the Alamo and at the dedication of the Gompers sculpture, commissioned by the San Antonio AFL-CIO in a parklike setting on a prominent downtown site donated by the city.

GOMPERS, WHO died in San Antonio in 1924, was the founding president of the American Federation of Labor, and Kirkland demonstrated with quotations why today's labor movement still honors its early leader.

Kirkland suggested that President Reagan would do well to heed the warning of Gompers that "it is a false and unwise economy and a lack of statesmanship to retrench public expenditures and improvements when such a course means suffering, misery and hunger."

By way of emphasis, Kirkland pointed to San Antonio's beautiful Riverwalk, built under Franklin D. Roosevelt's New Deal "to give work to people who badly needed work." Similar parks and buildings in cities from coast to coast "are among the most treasured assets" of the American people, he noted.

BUT TODAY, unemployed workers who could be building other Riverwalks are idle, their potential "squandered by an Administration that knows the price of everything and the value of nothing on the scale of humanity."

Kirkland spoke also of the Gompers concept of an unlimited goal of social justice for all humanity, to be achieved through a series of realistic steps to achieve the best conditions immediately possible—and then strive for better.

Gompers, the architect of the International Labor Organization, was returning from an international trade union gathering in Mexico when he died, and Kirkland said today's labor movement carries on that worldwide concern.

Joan Suarez, the president of the San Antonio AFL-CIO, opened the dedication ceremony with her co-hosts for the occasion, Texas AFL-CIO President Harry Hubbard and Glen Peterson, national vice president of the American Federation of Government Employees, who initiated the Gompers memorial concept. AFGE President Kenneth T. Blaylock, San Antonio Mayor Henry Cisneros and Rep. Henry B. Gonzalez shared honors with Kirkland at the dedication.

The 16-foot-tall statue of Gompers, surrounded by figures of working men and women, is by sculptor Betty Jean Alden and was commissioned by the San Antonio AFL-CIO.

The parade that followed the dedication was a festive affair with some 25,000 marchers, including contingents from other Texas cities, floats from nearly every local union and council, and marching bands.

FOR MANY of the participants, the day ended in family picnics including several large affairs hosted by unions.

During the preceding two days, there had been a series of receptions for international union officers who had come to San Antonio for the dedication and union-related meetings.

At a Labor History Forum, Communications Workers President Glenn Watts spoke of the future of unions. There was a brunch honoring Farm Workers President Cesar Chavez sponsored by the Labor Council for Latin American Advancement and a dinner honoring State AFL-CIO President Hubbard sponsored by the A. Philip Randolph Institute.

In remarks at the institute dinner and in press conferences and newspaper interviews, Kirkland stressed that labor-supported candidates are facing opponents that have "more money than we can ever dream of matching" to put into the political campaign.

But "we have people," he said, "trade unionists who know how to agitate, educate and organize . . . and only people can vote."

KIRKLAND TOLD reporters that his personal travels across the country as well as polls have convinced him that there has been "a substantial dropaway" of worker support for President Reagan since the 1980 elections. But many of the Democratic candidates for Congress are not getting the maximum benefit from the shift in public opinion because they are too "timid" to hammer away at the President's failed programs.

There is still "too much Tweedledum and Tweedledee" among Democrats in Congress despite the spread of unemployment and economic distress, Kirkland said.

SAN ANTONIO'S Labor Day observance was highlighted by the unveiling of this statue of Samuel Gompers, the first president of the American Federation of Labor. With AFL-CIO President Lane Kirkland is San Antonio Mayor Henry Cisneros. The dedication was followed by a parade of 25,000 union members, complete with floats and bands.

IBEW Gains New Unit At Teletype Facility

Skokie, Ill. — Production and maintenance workers at Teletype Corp.'s facility here voted 369 to 153 to affiliate with the International Brotherhood of Electrical Workers. For over 25 years, they had been represented by an independent union.

Tile Finishers Spur Action To Counter Reaganomics

Las Vegas, Nev. — Bold initiatives to counter the disastrous effects of "Reaganomics" were advanced at the 23rd convention of the Tile, Marble & Terrazzo Finishers.

Union President Pascal DiJames charged in his keynote address that "there is not one working family that has not been injured by the economic disasters of the Reagan Administration."

INSTEAD OF realizing a Reagan campaign promise of "jobs, jobs and more jobs," he said, the nation is suffering the highest unemployment since the Depression, with joblessness in the construction industry exceeding 20 percent.

DiJames urged delegates to press diligently for labor's legislative agenda when they vote in the Nov. 2 congressional elections. However, he warned, with only about 70 percent of the nation's eligible voters registered, labor must put on massive voter education, registration and get-out-the-vote drives.

"If we are to help reverse the anti-labor sentiment that seems to have swept through the Administration and the Congress," DiJames said, "the working men and women of America cannot allow themselves to fall victim to Election Day apathy."

SEC.-TREAS. Joseph Maloney of the AFL-CIO Building & Construction Trades Dept. urged delegates to vigorously combat encroachments of the open-shop movement in the construction industry.

The growth of the open shop, Maloney declared, is the result of a carefully crafted plan by America's biggest businesses to slash construction wages and bust building trades unions.

"Their game plan is nothing less than to seize control of the industry's labor relations policies," he added.

Maloney charged that the Business Roundtable has been behind all the efforts to repeal the nation's prevailing wage laws, including regulations proposed recently by the Labor Dept. that would amount to administrative repeal of the Davis-Bacon prevailing wage law. The BCTD, he noted, has won a preliminary injunction to prevent those regulations from taking effect.

AMONG OTHER speakers were Charles Brodeur, assistant to Carpenters President William Konyha; Fred Caccese, president of the Tile Contractors Association; Donald Mellskog, National Terrazzo & Mosaic Association; George Lavenberg, Ceramic Tile Institute, and John Herbstsomer, Union Labor Life Insurance Co.

Delegates adopted extensive revisions of the union's constitution and bylaws to bring them into compliance with Labor Dept. recommendations.

In other convention business, delegates considered a number of resolutions and were briefed on the growth of the union's annuity pension plan and on recent court decisions affecting labor.

Rallies, Parades Renew Solidarity Spirit

(Continued from Page 1)

Huge crowds also turned out for Chicago's first Labor Day parade in 40 years, in which bands, floats and marchers pointed to union members' skills and services and the importance of buying union-made products.

AFL-CIO PRESIDENT Lane Kirkland was the keynote speaker in San Antonio, Tex., at a round of Labor Day festivities that included the dedication of a statue of Samuel Gompers in the heart of the city.

In Los Angeles, AFL-CIO Sec.-Treas. Thomas R. Donahue spoke at the 36th Labor Day breakfast of the Catholic Labor Institute and later at a COPE picnic.

Donahue charged that the Reagan Administration is deliberately using high unemployment as a "tool to restructure society to reward the rich and punish the poor," and that labor must "organize, agitate and educate" for a better society.

THE WYOMING AFL-CIO linked Labor Day with "Wyoming Solidarity Day" and staged a march and rally at the state capitol in Cheyenne followed by a picnic at a nearby park. The attendance of over 3,000 marked the largest labor demonstration in the state's history, the federation said.

More than 5,000 people turned out for a picnic planned by the State AFL-CIO in Warwick, R.I., that included a support rally for 1,600 Machinists involved in an 11-month strike against Brown & Sharpe Mfg. Co.

Richard Groulx, secretary-treasurer of the Alameda County, Calif., AFL-CIO said the attendance of 7,500 at the council's 25th annual picnic "was the largest since 1958 when we were fighting 'right to work.' "

THE IOWA AFL-CIO and many of the state's central labor councils planned a round of parades, picnics and outings that included political rallies. The South Central council staged a three-day Solidarity Day/Labor Day Fest at the state fairgrounds that local organizers said was the biggest Labor Day celebration in Des Moines in recent times.

Crowds ignored bad weather to turn out for marches in cities across Indiana, including Indianapolis, which also held its first Labor Day parade in 40 years.

The nation's job needs and the harsh impact of the Reagan Administration's policies were the focal point of the Detroit rally. Central Labor Council President Thomas Turner pointed to the forthcoming election and observed:

"We can't change the mistake we made in 1980. We can't retire Ronald Reagan. But we can retire his supporters."

AFL-CIO Vice President Martin J. Ward spoke at the 30th annual Labor Day Mass at the Shrine of the Sacred Heart in Washington, stressing that "human rights and workers' rights are essentially unalienable in bad economic times as well as in good."

Institutions like unions "established to secure these rights" should not be torn down at the whim of "those who control the means of production, whether government or private industry," he said.

At the mass, the Metropolitan Washington AFL-CIO presented its Cardinal Gibbons award "for dedication to human rights" in absentia to Lech Walesa, the imprisoned leader of the Polish union federation, Solidarity.

DIGNITY AND RIGHTS on the job that all workers want are the real goals members of the National Football League Players Association are fighting for in their current negotiations with team owners, NFLPA officials told the Sheet Metal Workers convention. From left are Sheet Metal Workers Sec.-Treas. Cecil Clay, NFLPA Executive Director Ed Garvey, Brig Owens of the NFLPA staff and Sheet Metal Workers President Edward J. Carlough.

Football Players' Issues Put Into Trade Union Language

New York—To a warmly sympathetic audience of Sheet Metal Workers, Ed Garvey, executive director of the National Football League Players Association, spelled out the issues in the widely publicized contract negotiations with team owners.

The central issue, Garvey said, despite all the six-digit figures that get tossed around, comes down to the same questions that are the core of thousands of labor-management negotiations:

"WHEN IT'S all said and done, it's exactly about what you men and women have fought for for years—and that is dignity in the workplace, a say in the working conditions that you have, and a right to stand up for what you believe in.

"That's what the fight is all about. With your help, we're going to win it."

Garvey and Brig Owens, a former Washington Redskin now on the NFLPA staff, were introduced to the Sheet Metal Workers convention by Pres. Edward J. Carlough, who said he wanted the members to know the facts about the dispute. After Garvey's speech, a score of delegates asked specific questions and pledged support to the players.

Garvey cautioned union members not to be put off by the high salary figures attributed to football players. "If you work for a wage, you are a worker," he said, "And it doesn't make any difference how much that wage is."

THE AVERAGE player's career in the football league is 4.2 years, he pointed out, but he has spent about 10 years getting there. So the average $300,000 he earns in league play really comes to about $30,000 a year.

"Now, while that is a lot of money," Garvey commented, "when he finishes that career he has no place to go. He has to go back and get a job and he doesn't have that future to build on like most people do in any other industry."

In addition, about half the players suffer a serious injury each year, and "it's a rare individual who makes it through a career . . . who has not undergone surgery."

HE CITED other grievances: artificial turf, which "causes about twice as many injuries as grass," the inability to leave one team for another, and the players' insistence on the right to get a second medical opinion from a personal physician without having it brushed aside in favor of the decision of the club doctor.

Noting that television contracts are escalating the football teams' revenues, Garvey recalled that when the AFL and NFL were separate leagues, players, were getting between 55 percent and 65 percent of all the money generated. That ratio has dropped, but he said the concept of the players having a stake in the net profits is one the owners "are going to have to swallow."

Garvey hailed the AFL-CIO for its decisive support of the union in fighting off an effort by the club owners—he calls them "promoters"—to gain exemption from the antitrust laws. That exemption, he said, would have resulted in the "promoters" taking the games off free television and putting them on pay TV.

"THE PLAYERS," Garvey said, "are saying: 'We are the game, and because we're the game, we want a stake in the industry.'

"The talent out there is the product. Those guys come out, they practice, they play, they put on the game, and that's what you turn on the television set and watch."

House Rejects Reagan's Veto Of Funding Bill

(Continued from Page 1)

President's funding request and below congressional budget ceilings.

Reagan's objection, AFL-CIO Legislative Director Ray Denison noted, was that Congress was setting its own priorities by including funds for social programs instead of rubber-stamping the Administration's demands.

THE HOUSE had originally passed the $14.1 billion supplemental appropriations bill by a bipartisan 348-67 vote, and House Speaker Thomas P. O'Neill, Jr., appealed to Republicans to "stay with your conscience" on the override vote.

House Republican Leader Bob Michel called on his troops to support the President. He termed the vote crucial to "sustaining the momentum of that monumental task we set out to accomplish 20 months ago," when Reagan took office.

FUNDS FOR student financial aid, mass transit and highways were among the provisions that brought on the veto.

The veto would have cut off funds that allow some 54,000 low-income persons 55 or older to work up to 20 hours a week at modest salaries in day care centers, hospitals and in programs providing services to homebound aged and handicapped persons.

The vetoed bill also included money to meet both military and civilian payrolls, to start-up the newly-enacted federal extended benefits program, and to provide economic aid to Caribbean Basin nations.

Some government workers were furloughed without pay because of the veto. And while money to pay the new extended benefits could be temporarily borrowed from the Unemployment Insurance Trust Fund, there was no money to cover the administrative costs of receiving and processing the claims.

Potential Candidates Speak

Sheet Metal Delegates Focus on Jobs, Politics

New York—The 36th convention of the Sheet Metal Workers endorsed a series of programs to combat unemployment, non-union competition and anti-labor political policies.

President Edward J. Carlough, in his keynote address to the 650 delegates, said the "non-union problem continues to be the single most overriding problem facing construction unions."

CITING THE convention's slogan, "progress through innovation," Carlough said the challenge "cannot be met by using traditional ideas and traditional methods." He outlined a series of steps being taken to strengthen the union sector of the industry and to promote the creation of job opportunities.

Carlough said that at the same time he senses "an increasing awareness among our membership that there are problems that affect them . . . that can only be resolved in the political arena."

In line with that emphasis on political action, the convention heard major speeches from six leading Democrats, all possible presidential contenders, and a leading Republican.

THE DEMOCRATS, while each concentrated on particular issues, were strongly critical of the Reagan Administration's economic and budget programs. The Democratic speakers were Sen. Edward M. Kennedy (Mass.), Sen. Ernest F. Hollings (S.C.), Sen. Alan Cranston (Calif.), Sen. Daniel P. Moynihan (N.Y.), former Vice President Walter Mondale, and Sen. John Glenn (Ohio).

Sen. Robert Dole (R-Kan.) discussed the merits of the 1982 tax bill, of which he was a prime sponsor, and the future financial problems of social security.

Carlough, in explaining the unusually long array of political speakers, said that 1968, when Hubert Humphrey was the nominee, was the "last year when the Democrats nominated a candidate our members felt right with." The delegates, he said, were being given an opportunity to "hear all the mainstream Democrats so they could make their judgment down the road."

THE UNION gave strong support to a series of programs undertaken in recent years to strengthen the sheet metal industry, develop new lines of work, provide for the upgrading of craft skills to meet the needs of new technology, and to improve the living standards and job security of its members.

More than 10,000 retired members are receiving pensions from the National Pension Fund, whose assets have tripled in four years to over $400 million.

SASMI—the Stabilization Agreement for the Sheet Metal Industry—which is financed in those locals that adopt the plan by a 3-percent payment on payroll, has paid out over $56 million in under-employment benefits to members who are jobless or working only part-time, and another $16 million has been expended for travel, health and welfare payments and "dividends" to the fully employed.

THE NATIONAL Training Fund, financed by payments of 4 cents an hour, now provides standard curricula and audio-visual training materials for apprenticeship and upgraded journeyman training in every U.S. local and many in Canada. It has taken a leading role in preparing training materials for solar technology, and is developing new special programs for energy auditing and retrofitting.

A new project, undertaken jointly by the union, the employers and the National Training Fund, is a non-profit National Energy Management Institute. With grants from the U.S. Dept. of Energy and the state of California, it is embarked on an ambitious program to encourage necessary work to make energy systems more effective in schools, public buildings and commercial structures.

More than a thousand Sheet Metal Workers are already enrolled in special courses in California, and the joint labor-management "selling program" is due to start in California later this year.

THE DELEGATES re-elected Carlough and Sec.-Treas. Cecil Clay without opposition as well as 11 general vice presidents.

Without dissent, the convention approved a series of per capita increases for the next four years. For construction workers, the increases amount to $2.25 effective Oct. 1, 1981, and additional 75-cent increases effective at the beginning of 1984, 1985, and 1986. For non-construction workers, the increases amount to an initial $1.25 plus 25 cents more in 1984, 1985 and 1986.

The convention paid special tribute to President Emeritus Edward F. Carlough, who celebrated his 79th birthday during the convention. The senior Carlough retired in 1970.

Another convention highlight was an audio-visual presentation on the union's history and activities.

Ticker Tape Parade

Unfair Is Unfair

ONE ACCUSATION made against the Administration which seems to strike a sensitive nerve is the claim of "unfairness." The AFL-CIO has used the charge time and again as have other organizations concerned about human rights.

The White House has made various public relations gestures to evade the stigma of being perceived as unfair, but the charge keeps coming back to haunt the Reaganites. They simply cannot hide from the facts.

Federal Judge Charles Richey in recent weeks added two more examples to the long list of unfair actions of the Administration.

IN ONE CASE, brought by two organizations in behalf of 11 indigents, Judge Richey ordered the Agriculture Dept. to distribute food aid to 47,000 poor women and children in the states of New York and Georgia. He found that the department had failed to distribute surplus assistance from states that did not need the help to states that did need it.

When a departmental lawyer tried to excuse the failure of Agriculture Sec. John R. Block to make the reallocation, the judge cut him off with these remarks:

"I don't think the Secretary of Agriculture ought to have any excuse. Let him wash the blood off his own hands and get it done. This is a very heart-rending allegation here."

MORE RECENTLY, Judge Richey stepped in to protect the rights of migrant farm workers hired to harvest apples in West Virginia. He found that the Labor Dept. had failed to live up to its own regulations for setting piece rates for the apple pickers.

In a characteristic action, the Labor Dept. had approved a reduction from last year's piece rate. The NAACP filed suit on behalf of a group of farm workers.

The department, in addition to simply playing cheap with workers whose earnings are little more than a pittance, was also trying to open the way for the hiring of non-Americans in the orchards. The law says foreigners can be hired if Americans cannot be found to work at the set piece rates.

JUDGE RICHEY put the pay back to last year's piece rates and said no grower can hire foreign migrants until Americans have been recruited.

These attempts to deprive more disadvantaged Americans of simple justice fit a pattern that was put in place by the Reagan Administration. It is called being unfair to people unable to protect themselves.

Unfortunately, there isn't much that even the best intentioned of judges can do about the unfairness of Reagan Administration actions that are within the discretion of the Executive Branch. It is outrageous, but not illegal, to appoint officials hostile to the laws and programs they are supposed to administer.

NOR CAN the judiciary deal with the unfairness of actions sanctioned by Congress, such as budget decisions that slash programs for the poor but give new subsidies to the wealthy.

The remedy for these types of unfairness must come from the voters. And it will.

AFL-CIO News

Official Weekly Publication of the American Federation of Labor and Congress of Industrial Organizations

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LABOR PRESS AFL-CIO/CLC

'You, You, You...'

Washington Window

Problems of Displaced Worker Demand Special Aid Programs

By Press Associates, Inc.

AMONG THE NATION'S more than 12 million unemployed, there are those who are variously called the long-term unemployed, or the displaced worker, or the dislocated worker.

Displaced workers differ from other jobless workers in having been employed in an industry that was declining even before the current recession threw millions onto the street.

Unlike those recalled to their jobs as the economy recovers, these workers will not be rehired because their jobs no longer exist.

They probably were part of a big layoff. Their plants may have been shut down because of inability to compete with modernized plants in Western Europe or Japan.

Or their jobs may have been moved to the Sunbelt or exported to a low-wage country.

Or they may have been replaced by industrial robots or another form of microelectric technology. It is estimated that the spread of this technology could cause the loss of 3 million jobs by the end of the decade—or 15 percent of today's manufacturing workforce.

DISPLACED WORKERS are likely to be experienced, in their 40s, with family responsibilities and strong community ties. They are most likely to live in a Northeast or Midwest state and to have worked in a traditional manufacturing industry—steel, auto, rubber, garment, textiles—in which employment has been shrinking.

Because of the declining demand for their skills, they may be out of work for several months or more than a year. If they find another job, they will probably be in another line of work and at lower pay.

These problems of displaced workers and possible solutions are outlined in a recent study by the Congressional Budget Office. The 56-page report is titled "Dislocated Workers: Issues and Federal Options."

The CBO study found that "no existing federal programs are targeted specifically toward dislocated workers, whose numbers appear likely to increase."

NONE OF THE current programs for the jobless—the Employment Service, Unemployment Insurance (UI), and the Comprehensive Employment & Training Act (CETA)—is "well-suited to meeting the needs of today's dislocated workers," the report said.

The CETA program, largely decimated by Reagan Administration cuts and scheduled to expire Sept. 30, had been aimed mostly at disadvantaged and minority youth.

UI benefits often lapse before the displaced worker can secure another job and usually amount to less income than that received by other jobless workers in relation to previous earnings.

State employment services are strained by growing caseloads, reduced staff and job lists that seldom match the skills of the displaced.

The non-partisan CBO stops short of advocating specific action or legislation and notes that opponents of a federal role (an obvious reference to the Reagan philosophy of government) would rely on "natural market forces" somehow to cure the problem.

BUT THE CBO report does offer "options" for Congress to consider, and notes that legislation is pending.

Federal aid to displaced workers, said the study, could take the form of skill training programs and other kinds of "readjustment services to help workers adapt to changed labor markets." Such services might include skill testing, computer-aided job search help, and job clubs for mutual aid.

Further, "Congress might consider benefits of longer duration or more generous in amount," it suggested. "Relocation assistance" could help those forced to move.

Such special benefits, it said, would help cushion "the financial impact of dislocation so that individuals could participate in job training or other adjustment programs."

The Trade Adjustment Assistance (TAA) program, begun in the early 1960s to aid workers displaced by liberalized trade agreements, offers a precedent for the more comprehensive programs needed to help today's dislocated workers, the report said.

The number of those unemployed from declining industries, plant closings and mass layoffs will total about 880,000 in early 1983, even assuming an economic recovery, it estimated.

AFL-CIO LEGISLATIVE ALERT!

Countdown to End of Congress: Let's Work To Stop the Balanced Budget Amendment in the House

Trade unionists are gearing up to prevent the right wing from emasculating programs such as Social Security through a Constitutional amendment to require a balanced budget. The Republican-controlled Senate already has passed the amendment, and its backers are pushing for a vote in the House.

Unions' Washington lobbyists are contacting every "persuadable" member of Congress, and grass-roots activists across the country are backing them up. A TV satellite link-up allowed the AFL-CIO ad hoc committee led by AFSCME President Gerald McEntee to bring the battle to union members in 14 key cities. Labor's local legislative action committees pressed the issue in meetings with their Representatives during the Labor Day recess.

The AFL-CIO has taken newspaper and radio advertisements to show the public how the balanced budget amendment would cost them money and hurt their programs. The ads tell the readers and listeners the name of their Representative, and urge action to stop the balanced budget amendment now, while it can be stopped.

WHAT YOU CAN DO: Congress may adjourn as early as Oct. 2. The next few weeks are critical. Continue to urge your Representative to oppose any balanced budget Constitutional amendment.

See the Aug. 28 AFL-CIO News for an assessment of where every member of Congress stands on the balanced budget amendment. Correction: A previous Alert! listed Rep. William Coyne (D-PA) as a cosponsor of the balanced budget amendment. Rep. Coyne is not a cosponsor.

Dole Wants to Cut Social Security--After Election Day

Certain Social Security benefits already have been cut due to Reagan program slashing. Those cuts could become much more severe after this November's election.

Sen. Robert Dole (R-KS), chairman of the Finance Committee, which oversees Social Security, has called for a special "lame-duck" meeting of Congress to consider cuts in Social Security. Dole knows that cutting Social Security is impossible before the election, because the American people, who want Social Security kept intact, would "throw out the bums" who cut it. But Dole thinks Congress can gut the program after the election. "Between Thanksgiving and Christmas is a perfect time; even politicians aren't very political then," he said.

To give you an idea of the kinds of cuts Sen. Dole may have in mind: the special Social Security commission created by President Reagan, on which Dole serves, is considering:

(1) Raising the retirement age for Social Security benefits from 65 to 68, and

(2) Capping Social Security cost-of-living adjustments (COLA) at less than the inflation rate--which would mean that the elderly would gradually lose their buying power. The longer they live, the more they slip into poverty.

WHAT YOU CAN DO: Don't let Congress cut Social Security in the dark of night. Ask your Representative and Senators now, before the election, for a commitment to oppose any cuts in Social Security benefits, and to oppose a "lame duck" session of Congress.

'Flat Tax' Schemes: Another Way To Boost Your Taxes But Cut Taxes for the Rich

Last year's Reagan tax cut was a "trickle-down" tax cut, with most of the savings going to the wealthy and big business. Very little has trickled down to low- and middle-income Americans. Instead, the Reagan policies have increased the federal deficit, kept interest rates high and destroyed more than 2 million jobs.

Nevertheless, the trickle-down advocates in Congress and the White House want even more trickle-down, less fairness in the tax code. Now they are pushing a scheme called "flat-tax" rates. What it means is more taxes for you, and more big tax cuts for the wealthy (see chart, right).

The flat tax scheme is receiving quite a bit of attention in Congress. At least six members have introduced flat-tax bills. President Reagan is "highly sympathetic" to the idea and may include his own plan in next year's budget, according to Budget Director David Stockman.

The flat-tax schemes are winning support of members of Congress who should know better, because (1) the unfair flat tax rate is combined with (2) closing of some tax loopholes.

It is true that the current tax code is overly complicated and riddled with many questionable and inequitable exemptions, deductions and exclusions. And it is unfair that the wealthy are the principal beneficiaries of the loopholes.

The proponents of flat-tax schemes would begin by changing the federal income tax from a progressive (gradually increasing) rate structure to a flat rate for all taxpayers, no matter how rich or poor. On top of this they promise the "sweetener"--closing of some tax loopholes--though in the end many loopholes might still remain. The Congressional friends of the wealthy promise a deal: some closed loopholes in exchange for a flat rate.

It's a bad deal. On balance, the wealthy would gain much more from the flat rate than they would suffer from closing of loopholes. With the wealthy paying less tax, the rest of us would have to pay more.

If Congress wants to close loopholes and thus increase tax revenues, it can do so without cutting any deal. There is no need to combine loophole-closing with another expensive and unfair tax cut for the wealthy.

WHAT YOU CAN DO: Urge your Representative and Senators to oppose flat-tax and modified flat-tax legislation, including such bills as H.R. 6944 in the House and S. 2817 in the Senate.

HOW MUCH MORE WOULD YOU PAY UNDER A 'FLAT' TAX?

Adjusted Gross Income	1982 Tax, Current Law	1982 Tax With 18% Flat Rate*	How a Flat Rate Would Change Your Taxes: Dollars	Percent
$10,000	$476	$1,080	+$604	+127%
$20,000	$1,785	$2,880	+$1,095	+61%
$30,000	$3,512	$4,680	+$1,168	+33%
$40,000	$5,673	$6,480	+$807	+14%
$50,000	$8,376	$8,280	-$96	-1%
$100,000	$25,741	$17,280	-$8,461	-33%
$200,000	$64,149	$35,280	-$28,869	-45%

Family of four, one wage-earner, deductible expenses equal to 23% of income

* Personal exemption of $1,000 per dependent

ORDER LEGISLATIVE ALERT!

This page of the AFL-CIO News is a digest of the Legislative Alert! newsletter. The bi-weekly Alert! provides more complete details about upcoming labor issues in Congress.

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Grassroots Lobbying in Massachusetts: It Works

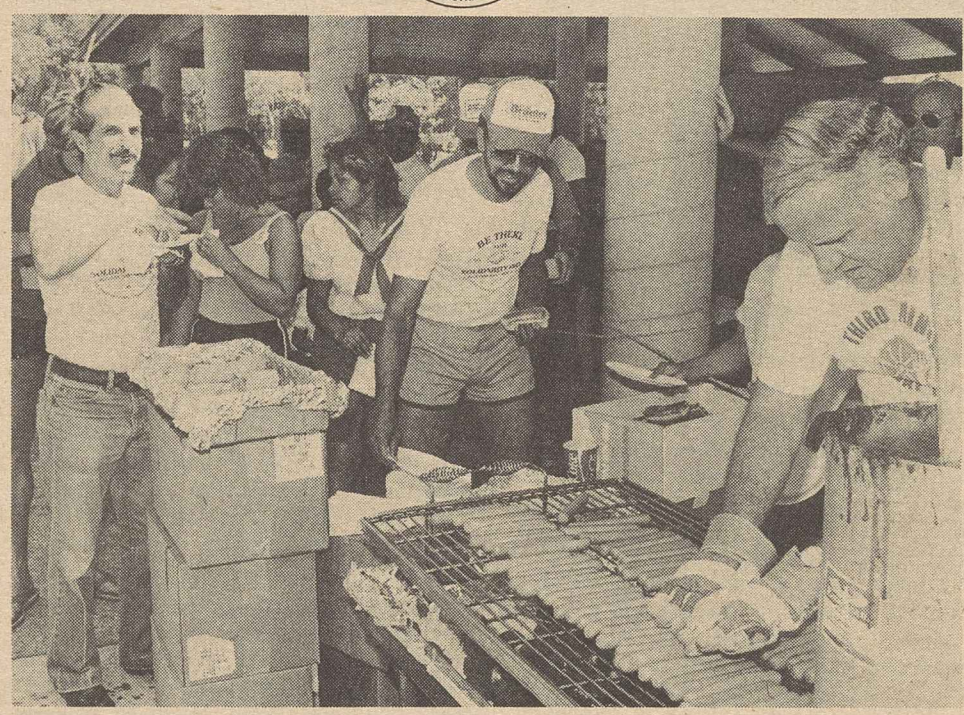
AFL-CIO Legislative Action Committees were active during the Labor Day recess, meeting with their Representatives and urging support for labor's agenda in Congress. The LAC in the 4th district of Massachusetts has developed a very close relationship with their Representative, Barney Frank (D). The LAC arranges personal meetings with Frank almost every month, and also uses the telephone and mail to keep Frank informed of workers' concerns. As a result, LAC members were able to thank Rep. Frank for his correct position on every key vote so far this year.

The LAC has received a firm commitment from Rep. Frank in opposition to the balanced budget Constitutional amendment. In addition, he has cosponsored H.R. 5133, the domestic content bill, H.J. Res. 562, the jobs and training bill, and H.R. 6124, the credit control bill.

AFL-CIO News

MEMO FROM COPE
PAGE 12

Vol. XXVII | Saturday, September 18, 1982 | No. 37



LABOR DAY PICNIC sponsored by the San Fernando Valley Political Education Committee drew 4,500 California union members and their families, as well as AFL-CIO Sec.-Treas. Thomas R. Donahue as the main speaker. Other Labor Day observances included parades and job rallies. **(More photos on pages 6, 7.)**

House Approves Emergency Funds For 250,000 Jobs

By James M. Shevis

A $1-billion emergency funding bill to provide some 250,000 public-sector jobs for the hard-core unemployed cleared the House and went to the Senate, drawing organized labor's praise as a measure that could "help ease the enormous suffering and economic waste now taking place in the nation."

With joblessness officially at 10.8 million workers and unofficially at 17 million, the legislation "makes good economic sense," AFL-CIO Legislative Director Ray Denison said in a letter to each member of the House.

THE HOUSE adopted the measure 223-169 after rejecting a weak Republican-sponsored substitute. Thirty-two Republicans joined 191 Democrats in supporting the bill while 28 Democrats and 141 Republicans voted against it.

The bill, an urgent supplemental appropriations for the Labor Dept., sets funding at 5 percent of the total cost of the nation's unemployment compensation, or about $1 billion off a current total of $20.7 billion. If the measure becomes law, the money would be provided immediately through Dec. 31 even though the 1982 fiscal year ends Sept. 30.

Temporary jobs provided under the bill would involve work in the repair, maintenance and rehabilitation of public facilities, public safety and health activities, and other actions essential to community welfare, including road and bridge repair and maintenance, fire hazard inspections, water systems improvements, security for schools, and other needed services.

ABOUT 140,000 of the jobs are earmarked for unemployed adults, the remainder for those between the ages of 16 and 21. Participants would be limited to working no more than six months and could be paid no more than $5,000 during that time.

Before the House action, Speaker Thomas O'Neill (D-Mass.) told a news conference: "We gave the President his program last year . . . but we're not going to sit back while unemployment goes higher and higher." The Administration opposed the bill's passage, with House Republican Leader Robert H. Michel of Illinois ridiculing it as a "flimflam."

In the debate over procedural action that preceded the House vote, O'Neill answered Michel's charge by pointing out that unemployment in the GOP leader's home district is 16 percent, and that county officials there say four bridges do not qualify as safe and need repair work that could be performed under the Democratic bill.

HOUSE MAJORITY Leader Jim Wright (D-Texas), describing the jobs bill as "the centerpiece of this week's effort," predicted Senate passage of the measure, a view shared by Sen. Edward M. Kennedy (D-Mass.) and Senate Minority Leader Robert Byrd, who introduced identical legislation.

"This Congress, this Administration can-

(Continued on Page 9)

Reagan Set Back

Veto Override Reflects Resistance to New Cuts

The congressional override of President Reagan's veto of a $14.1-billion supplemental appropriations bill shows that the American people "have reached the limit, and have said no to callous, coldblooded destruction of essential services," the AFL-CIO declared.

The immediate beneficiaries of the override are those unemployed workers who have exhausted their unemployment benefits, the federation's legislative director, Ray Denison, pointed out. The congressional action provides funds for staff to handle the newly enacted extension of jobless benefits. Also saved are older worker programs, education for the disadvantaged, student financial aid, mass transit, highway and other programs.

"UNDOUBTEDLY, the reason for the override was that more than 100 members of the President's own party in Congress rejected his claim that the bill was a 'budget buster,'" Denison said. "The spending bill put into effect by the Congress is $1 billion less than the President originally requested. It simply put the money where the need is."

The measure provides money for federal agencies and programs to continue operating through the 1982 fiscal year, which ends Sept. 30. It includes $6 billion the government needs to meet its payroll this week. Many federal workers would have faced layoffs if the veto had been sustained and agreement on a new bill could not be reached.

If the President's veto had stuck, it would also have cut off funds that allow some 54,000 low-income persons 55 or older to work up to 20 hours a week at modest salaries in day care centers, hospitals and in programs providing services to homebound aged and handicapped persons.

PRESIDENT JACOB Clayman of the National Council of Senior Citizens praised Congress for its "magnificent bipartisan" action in overriding the veto—a stinging defeat for the President—and observed: "Compassion still lives in America."

"Our hopes are buoyed by the sterling defense of Title V of the Older Americans Act in both houses," said Clayman. "These senior aides transport the elderly to places they cannot reach on their own, carry

(Continued on Page 8)

Chrysler Accord Moves Toward UAW Parity Goal

Detroit—The Auto Workers reached tentative agreement with the Chrysler Corp. on a new contract that UAW President Douglas Fraser said would achieve "our principal goal to start the Chrysler workers on the long, long road back to parity with workers at General Motors and Ford."

The agreement, which must yet be ratified by union members, came six hours after the deadline for settlement had passed. UAW agreements with the nation's third largest auto maker expired at 12:01 a.m. Sept. 15, but the two sides extended negotiations for another 24 hours.

THE ACCORD covers 43,200 active Chrysler workers in the United States, plus another 40,000 on indefinite layoff. Complete details were not available, but Fraser told a press conference following the settlement the agreement would reduce wage differences between Chrysler workers and workers at General Motors Corp. and

(Continued on Page 3)

14-Month-Old Recession Drags On

A slew of bleak government reports on the economy dashed any hopes for an early recovery from the 14-month-old Reagan Recession.

The latest monthly report on factory production showed another decline of five-tenths of 1 percent—the 11th monthly falloff in the past 13 months. Arrayed alongside this dreary report from the Federal Reserve Board were others reflecting rising inventories, a slump in retail sales, plunging new-car sales, and continued high unemployment and business plans to deepen capital spending cuts.

MEANWHILE, interest rates—still historically high—marked time. After falling 3 percentage points in less than two months, the key prime lending rate that big banks charge their best corporate customers has held at 13.5 percent for nearly four weeks. Many observers attribute the current recession and the economy's apparent inability to bounce back to the high rates generated by the Federal Reserve Board's tight hold on monetary aggregates.

Hardest hit by the downturn is the auto industry. The Fed's August report on factory production showed that the auto industry reduced its assembly rate more than 16 percent to an annual rate of 5.5-million vehicles. At about the same time, the industry reported sales of domestic new cars plunged 29 percent in the first 10 days of September from last year's levels.

"We have more inventory on our hands than we would like to have at this point," observed Robert Cook, general sales manager of General Motors' Chevrolet division. "Customers just aren't biting to the extent we had hoped."

Other significant details of the central bank's report on August industrial output were a further slide of 1.4 percent in business equipment production and a 1.2 percent drop in consumer goods.

Another reflection of the slack economy was seen in a Fed report that U.S. factories last month used only 69.4 percent of their capacity, the lowest operating rate since March 1975 when the country was emerging from another severe recession.

ALSO TELLING were two separate Commerce Dept. reports on business plans and activities. One showed business inventories edged up one-tenth of 1 percent in July as sales declined and interest rates stayed high. The other said that a government survey of U.S. businesses taken in late July and early August showed that American firms plan to spend 4.4 percent less on new plant and equipment this year than in 1981. In an April-May survey,

(Continued on Page 8)

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9/18/82

Asbestos Bankruptcy Move Assailed

By Press Associates, Inc.

While more than 8,000 workers die every year from cancer caused by exposure to asbestos on the job, industry and government are busy pointing fingers of blame at each other over the responsibility.

Organized labor faults both for failing to resolve the issue through tougher occupational health regulations and an overhaul of the workers' compensation system to make industry assume its responsibility.

OPERATING ENGINEERS President J. C. Turner, who chairs the AFL-CIO standing committee on occupational safety and health, said problems raised by the bankruptcy claim of the Manville Corp. to escape liability for asbestos exposure are only "the tip of the iceberg" for substances causing occupational disease.

Turner said Congress must take a "hard look at the whole workers' compensation and product liability systems and make some determination that will deter industry from exposing workers to toxic materials, ensure that workers will be compensated fairly and adequately, and that employers and manufacturers will be held accountable."

"It would be inequitable to permit Manville to escape its responsibilities," Turner said. "It would be outrageous to bail out Manville and ignore millions of American workers who have been and continue to be exposed to toxic substances without a much needed solution to the issue of compensation for occupational diseases."

THE LATEST round of blame-shifting occurred at oversight hearings by a House Labor Standards subcommittee on bankruptcy filings by Manville Corp., the world's largest asbestos producer, and the smaller UNR Industries, Inc.

Chairman George Miller (D-Calif.) said Congress and asbestos victims are "understandably skeptical" when a company like Manville claims to be "in good shape" while filing for bankruptcy due to asbestos liability suits.

"Let none of us be confused further by industry's allegation that much of the blame for the bankruptcies is due to the failure of government to meet its financial responsibilities," Miller said.

"The government, in fact, is paying millions of dollars a year to hundreds of asbestos victims who were federal employees, and for whom we are responsible." He said the government cannot accept potentially billions of dollars in liability for victims who are the responsibility of private industry.

MILLER SAID witnesses at earlier hearings on his proposed compensation law estimated the government also pays over $3 billion annually through social security, Medicare, veterans' benefits and other programs to occupational disease victims.

It would be "profoundly unwise" and would set a "dangerous precedent," Miller said, for the federal government to pay workers' compensation for private employees of industry confronted with large liabilities "which are of its own making."

The Reagan Administration insists that the government must not shoulder more than its share of the blame for asbestos exposure. J. Paul McGrath, assistant attorney general for the Justice Dept.'s civil division, said the Administration would continue to fight any attempt to use the U.S. Treasury as the first "deep purse" to dig into in asbestos litigation or compensation.

McGRATH SAID Justice has taken "strong exception" to allegations by the asbestos industry that the federal government knew about the hazards of asbestos and should assume responsibility for litigation by shipyard workers under contract by the U.S. government. Many of those shipyard suits stem from exposure during World War II.

The government's position is that if these workers were government employees, then they can file under workers' compensation law, McGrath said. If they are not, then the workers can sue private industry, which had control over most exposure situations, he said.

Manville's filing for reorganization under Chapter 11 of the Federal Bankruptcy Code, citing liabilities projected for pending and future asbestos litigation, further complicates the situation. McGrath called Manville's bankruptcy action an "extraordinarily unusual situation" because the company is solvent in other respects, but he would not comment on the legitimacy of the claim.

THIS WAS due in part to the current rewriting of sections of the 1978 Bankruptcy Act by Congress under order from the U.S. Supreme Court. Sen. Robert Dole (R-Kan.), chairman of the Senate Judiciary subcommittee on the courts, called Manville's bankruptcy claim "dubious." He said his panel may address the issue as it rewrites the law before the court-appointed Oct. 4 deadline.

Manville Vice President G. Earl Parker told the House panel that the federal government is responsible for a substantial number of asbestos disease cases in "every moral, social and legal sense." He said the company's bankruptcy claim was "necessary," not only because of financial accounting requirements, but also to provide equitable compensation for present and future asbestos health claimants.

In addition to 16,500 pending asbestos-related lawsuits, Manville said a recent study contracted by the company shows it may face at least 32,000 future lawsuits through the year 2001, costing more than $2 billion. Parker said the Denver-based firm's $1.1 billion in assets could not meet that cost, and the study was the basis of its decision to file for bankruptcy.

THE STUDY, performed by Epidemiology Resources, Inc., of Boston, has been questioned by attorneys representing asbestos victims, who have announced they will fight bankruptcy.

UNR Industries of Chicago, whose representatives also appeared at the House hearing, filed for a similar bankruptcy in July. UNR President David Leavitt said the small company faces 17,000 lawsuits, compared to 4,000 in 1970. The company, like Mansville, currently is embroiled in litigation with insurance companies over workers' compensation coverage for asbestos-related diseases.

In a recent Labor Dept. report, Dr. Irving Selikoff of the Mt. Sinai School of Medicine in New York estimated that 21 million American workers have been exposed to asbestos over the last 40 years.

SELIKOFF estimated that 8,200 to 9,700 excess deaths occur annually from asbestos-related cancer, such as mesothelioma, a lung lining cancer caused only by asbestos, lung cancer and asbestos-related cancers in other body organs.

These estimates do not include deaths from asbestosis, a chronic lung disease. There is no known "safe" threshold for asbestos exposure, according to Selikoff, a leading expert in asbestos diseases.

Selikoff's study showed that only about half the asbestos victims filing for workers' compensation disability claims under the current system live long enough to collect benefits. Only about 15 percent of all disabled asbestos workers received workers' compensation benefits prior to their death.

Much of the litigation concerning asbestos-induced disease contends the industry has been aware of the hazards since the 1930s, when British studies revealed asbestos-related health hazards. Industry has denied this.

Manville's Parker testified that the firm has sought a "prompt and fair" compensation program for asbestos workers for several years.

This provoked an angry outburst from Rep. Phillip Burton (D-Calif.), an author of the Black Lung bill which set up a federal compensation program for miners to bail out the coal industry.

"You have taken the same position as the coal industry," said Burton. "I am unaware of any effort by Manville to protect workers or maintain their income. . . . Don't pretend you come here with clean hands because you don't."

BURTON pointed out that the panel had to hear this testimony while the Reagan Administration is cutting back Occupational Safety & Health Administration protection, thus compounding current problems in the future.

In a statement shortly after Manville announced bankruptcy filing, Sheldon Samuels, director of occupational safety and health for the AFL-CIO Industrial Union Dept., criticized industry and government. He said OSHA failed to upgrade its asbestos standard, the asbestos industry covered up asbestos hazards, and the federal workers' compensation system failed to "protect the legal and financial rights of workers and their families."

"The irony of the current situation," Samuels said, "is that the very mistakes Manville and other companies in the asbestos industry made in the past continue to be repeated. They still falsify the scientific evidence. The current OSHA standard, a weaker version of a similar British measure, continues to permit cancer and lung disease to be generated among workers and the general public."

Samuels charged that OSHA under the Reagan Administration, at industry's request, withdrew a proposal formulated in 1979 to strengthen the asbestos standard.

EARLIER this year, Rep. Miller proposed a workers' compensation bill for asbestos and uranium ore victims that would have paid benefits out of a fund created by industry contributions. The bill would have allowed presumptions that asbestos causes certain diseases—proof of which usually must be established in each lawsuit or disability case—and would have limited lawsuits by workers against asbestos companies or employers.

George H. R. Taylor, AFL-CIO safety and health director, said the AFL-CIO would continue to oppose any legislation that would deprive workers of their full legal rights to seek relief or which would let industry off the hook in taking responsibility for the costs of worker illnesses which it causes.

New York Delegates Demand Action to Stem Job Losses

Kiamesha Lake, N.Y.—Delegates representing New York State's two million union members denounced the Reagan Administration's economic program as a "fraud" and called for quick action to reduce the number of jobless throughout the state.

"American workers are being deceived by President Reagan and his policy makers," State AFL-CIO President Raymond Corbett charged in his keynote address. "Instead of prosperity and economic growth, Reagan has given us the highest unemployment since the Depression."

CORBETT ALSO denounced Reagan's "New Federalism" proposals to shift key federal programs to the states. He charged that the scheme would cost New York State $1.7 billion in lost revenue from Washington in the first year.

The 1,500 delegates to the State AFL-CIO's 22nd convention unanimously approved resolutions calling for improvements in the state's unemployment insurance and workers' compensation programs. New York currently ranks 40th in jobless benefits and 32nd in workers' compensation benefits.

Corbett urged delegates to press for a special session of the legislature for the purpose of improving benefit levels, which he noted are currently below the poverty level for a family of four.

Gov. Hugh Carey, who is leaving office in December after serving eight years, used his address to thank union members who had supported him as a member of Congress and as governor.

The convention endorsed Lt. Gov. Mario Cuomo in the Democratic primary and former U.S. Atty. Paul Curran in the Republican primary for governor.

Delegates also endorsed Democratic Sen. Daniel P. Moynihan for re-election, and the senator responded in an address to the convention, condemning "Reaganomics" and pledging their continued opposition to the Administration's economic policies.

AFL-CIO COPE Director John Perkins stressed the importance of labor's efforts in this year's elections "to elect friends of working people to the House and Senate in November."

Sec.-Treas. John Mara of the AFL-CIO Union Label & Service Trades Dept. urged the delegates to use the buying power of their union wages to promote union-made products and union establishments.

FOLLOWING Mara's address, the delegates unanimously approved a resolution condemning the recent purchase by the state's Metropolitan Transportation Authority of foreign-built subway cars. Other resolutions called on the state and its agencies to buy American-made products whenever possible.

Corbett and Howard Molisani of the Ladies' Garment Workers were unanimously re-elected as president and secretary-treasurer of the State AFL-CIO. In addition, Ed Gray, a regional director of the Auto Workers, was elected to the Executive Council.

The mood of the four-day convention was summed up by one delegate when he said from the floor: "Reaganomics is no longer the case of the cure being worse than the disease. Reaganomics is the disease."

TOP OFFICIALS of the Egyptian Trade Union Federation visited AFL-CIO headquarters recently to become better acquainted with the American labor movement and to further mutual understanding between their country and the United States. Welcoming the group was Federation Sec.-Treas. Thomas R. Donahue, along with International Affairs Rep. Mark Anderson, left, and Gebresalassie Gebremariam, program officer for the African-American Labor Center, right. The visitors are, left to right, President Saaid Gooma of Egypt's Union of Metal Workers, President Ahmed Elemmaani of the Union of Oil & Chemical Workers, President Mokhtar Youssef of the Union of Education Employees and Galaad Zeeid, ETUF international affairs representative.

Chrysler Pact Step Toward Parity Goal

(Continued from Page 1)

Ford Motor Co. from about $2.60 to about $2 an hour. The average hourly wage at Chrysler is $9.07.

Chrysler workers gave up a cost-of-living adjustment and a 3-percent annual wage boost last year to help keep the company from bankruptcy. The concessions were sought by the U.S. government before it guaranteed $1.5 billion loans to the troubled firm.

FRASER TOLD reporters the new Chrysler agreement calls for resumption of COL payments in December at the same rate that applies to GM and Ford workers. If inflation stands at 6 percent, workers will receive 16 cents an hour in the first quarter of 1983 and 17 cents an hour in each of the second and third quarters for a total increase of about 50 cents an hour by a year from now.

The parties also agreed to a wage increase linked to profits. Chrysler lost $3.27 billion from 1979 to 1981, but earned $256 million in the first six months of 1982. Under the new contract, which runs for one year, if Chrysler's profits in any quarter equal $20-$50 million, $4 million would be set aside for wage increases. If profits exceed $50 million, $8 million would be set aside.

Fraser said that if forecasts are accurate, there would be a wage increase payment in the fourth quarter of this year. He said also that workers will not have to pay part of their medical bills, a proposal that Chrysler had sought. The company had demanded modifications in health insurance coverage to make workers subject to copayments and deductibles.

THE UAW PRESIDENT characterized gains under the settlement as "modest," but added, "We couldn't have gotten anything better without a prolonged strike." The first step in the ratification process was scheduled for Sept. 17, when the agreement was to be put before the UAW's Chrysler Council.

Scattered strikes of workers occurred after the deadline extension passed at 12:01 a.m. Sept. 16, though the union had not called for a walkout.

SOUNDS OF SOLIDARITY DAY album recorded live includes musical entertainment and speeches from the historic march and rally last Sept. 19 in Washington, D.C. The album was produced for Worker Records by Joe Uehlein, an organizer for the AFL-CIO Industrial Union Dept. He presented a souvenir copy to AFL-CIO President Lane Kirkland and said all proceeds from its sales will be donated to AFL-CIO COPE. Copies are available for $9.50 from Worker Records, 1233 Kearney St., N.W., Washington, D.C. 20017.

Iowa Convention Focuses On Organizing for Election

Waterloo, Iowa—Delegates to the Iowa AFL-CIO's 27th annual convention focused on efforts to get labor-endorsed candidates elected in November as a referendum on failing Reagan Administration economic policies.

State Federation President James Wengert warned in his keynote address that labor's friends won't be automatically elected because of strong reaction to President Reagan's job-destroying policies.

"WE'VE GOT to organize with the same intensity we organized for Solidarity Day if Solidarity Day II—Election Day—is to produce victories for pro-labor candidates," he told the 225 delegates.

Wengert also warned that right-wing groups will resort to single-issue smokescreens and diversions in attempts to splinter labor's coalitions and "to hide the fact that their programs have wreaked havoc on the economy."

The convention gave a warm welcome to Democratic gubernatorial candidate Roxanne Conlin who will face Republican Lt. Gov. Terry Branstad in November. Charging that Branstad has a 10-year anti-labor, anti-people record, Conlin noted that her opponent has long been the "darling of the New Right in Iowa," although he now labels himself a moderate.

IN MAJOR convention action, delegates voted to switch to biennial conventions as a cost-cutting move with the first scheduled for 1984. COPE endorsing conventions will continue to be held in election years. Delegates also approved a cutback in the frequency of the Iowa AFL-CIO News to quarterly from eight times a year because of skyrocketing mailing costs.

In other action, the convention called for total implementation of the federal Humphrey-Hawkins full employment law, a reduction in the workweek without lowering wages and increased efforts to get unemployed workers registered for the elections.

Delegates also reaffirmed support for labor's boycott of Iowa Beef Processors, Inc., where the Food & Commercial Workers have been on strike for three months in protest against management's demand to slash wages.

THE CONVENTION called on Iowa trade unionists to join in food caravans with union members from Nebraska and South Dakota to aid the striking UFCW members at Dakota City, Neb. More than $60,000 in contributions was raised in three states for the effort.

Convention speakers in addition to Conlin included National COPE Director John Perkins, President Norman Hill of the A. Philip Randolph Institute, AFL-CIO Regional Director James Freeman and Bob Anderson, labor-endorsed candidate for lieutenant governor of Iowa.

Court Rejects R-T-W Claim On Scope of Dues Rebate

Sacramento, Calif.—The U.S. 9th Circuit Court of Appeals denied a claim by a group of Western Airlines employees covered by an agency shop agreement for a rebate of monies used by their bargaining representative for organizing, conventions, publications, litigation and other similar functions.

In a 2-to-1 decision, the federal appeals court endorsed the position of the Railway & Airline Clerks that these activities "are germane to the work of the union in the realm of collective bargaining."

In its ruling, the court rejected the position of the National Right to Work Legal Defense Fund.

THE MAJORITY decision also upheld BRAC's arrangement of rebating a portion of union dues to members who object to the use of funds to support "certain political and ideological causes not germane to collective bargaining."

BRAC President Richard I. Kilroy said the union was gratified by both parts of the appeals court ruling.

The case dates back to 1973 when the union-busting National Right to Work Fund challenged the union's expenditures of funds coming from dues and fees collected under the agency shop clause in the Western Airlines-BRAC collective bargaining agreement.

The suits were based on the theory that the plaintiffs could not be required to contribute to any union costs except the direct cost of negotiating and administering the Western Airlines collective bargaining agreement.

In 1975, BRAC instituted a retroactive voluntary rebate program for members who objected to the use of dues money for certain political and ideological activities not directly related bargaining.

UNDER THE rebate arrangement, approved by the District Court, protesting workers were returned $1 per year dating back to their original protest, except for 1975—when the rebate amounted to about $4.

The plaintiffs rejected that arrangement as inadequate and the U.S. District Court in San Diego ruled in favor of the dissidents, but the appeals court majority overturned that ruling.

IN WELCOMING the appeals court finding on BRAC's rebate plan, Kilroy said the decision "is a tribute to the men and women in our union who instituted that system precisely to ensure that objectors' legal rights are respected."

The decision is also significant, Kilroy said, in overturning the trial court and upholding the union's longstanding position that "under the Railway Labor Act, an employee who is covered by a union security agreement does have to share in paying for such typical international union activities as the regular convention, regular publications, and organizing the unorganized — all of which activities the court concluded are 'germane to the union's work in the realm of collective bargaining.'"

UTU Weighs Accord With Rail Carriers

Leaders of the United Transportation Union will meet next week to consider a tentative settlement with the railroad industry that would avert a possible strike.

UTU negotiators and bargainers for the nation's major rail carriers initialed a memorandum of agreement dealing with unresolved issues in a number of areas.

AT NEXT WEEK'S meeting in Chicago, on Sept. 24, UTU officials will decide to reject or ratify the new agreement. Attending the meeting will be some 250 UTU general chairmen and local chairmen as well.

Under the Railway Labor Act, the union would be free to strike the carriers on Sept. 20. The parties have been negotiating on recommendations made Aug. 20 by a presidential emergency board appointed a month earlier to study the issues in the bargaining dispute.

Still unsettled is a dispute between the railroads and the unaffiliated Locomotive Engineers, who are free to strike Sept. 19. Both the UTU and the BLE are seeking to negotiate variations of the industry settlement agreed to by 11 other unions last year.

IN THE UTU talks, future utilization of cabooses on freight trains became the major negotiating issue. The presidential emergency panel said that some cutback in cabooses should take place over the next few years. UTU argued that eliminating cabooses could be hazardous to both workers and the public, and that any reductions ought to be handled on a carrier-by-carrier basis with each freight run evaluated.

The panel also said that meal allowances should be raised to reflect increases in the cost of living, and recognized the validity of certain other UTU arguments.

Public Employee Wages Rise 8.1% In '82 Contracts

State and local government workers covered by major collective bargaining contracts negotiated in the first six months of 1982 received first-year compensation gains averaging 8.1 percent, slightly higher than the 7.8-percent average gain for all of 1981.

Over the life of the contracts, the annual compensation gain also averaged 8.1 percent, the Bureau of Labor Statistics reported. The figure compares with a 7.3-percent average gain in 1981 settlements.

WAGES ALONE rose an average 7.6 percent in the first contract year and 7.9 percent annually over the life of the agreements reached in the January-June 1982 period. The figures compare to 1981 gains of 7.4 and 7.1 percent, respectively.

The BLS figures are limited to bargaining units with at least 5,000 workers. There are 82 such units covering 1,010,000 employees, or about one-fourth of all state and local government employees under negotiated agreements. In the first six months of 1982, data were reported on 21 settlements covering 308,000 workers.

Morrell Strikers Gain 3-Year Pact

The Food & Commercial Workers reached agreement with John Morrell & Co. on a new three-year contract covering some 3,000 workers at the meatpacker's plants in Sioux Falls, S.D.; Estherville, Iowa, and East St. Louis, Ill.

The settlement resolved a 12-day strike against Morrell.

The pact follows the pattern in agreements with Armour & Co., Wilson Food Corp., and other major packers last December and earlier this year providing for a freeze in wages and cost-of-living adjustments in return for job security. The contract also provides improvements in pension and medical benefits.

In addition to agreement on the master pattern, negotiators resolved local issues, including Morrell's plan to close the Sioux Falls beef and lamb departments. The company agreed to rescind a notice on the closing issued last month. Some 600 workers would have been affected by the closing.

Both parties expressed satisfaction with the overall agreement, saying the settlement addressed the industry's "needs and realities."

Labor-Backed Candidates Do Well in Primaries

Sen. Howard Cannon of Nevada and former Gov. Michael Dukakis of Massachusetts were renominated in two of the most closely contested Democratic races as elections in 12 states brought the 1982 primaries near a finish.

Cannon had labor's endorsement in turning back a challenge from Rep. Jim Santini. Dukakis reversed the outcome of 1978 by beating conservative Democratic Gov. Edward King in what was billed as a test of Reaganomics because of King's close adherence to the President's policies.

PRIMARIES HAVE yet to be held in New York (Sept. 21) and Hawaii (Sept. 18), and runoffs are still ahead in Florida and Alabama.

Otherwise, the slates are set for November—when at least three of the Senate candidates nominated with little or no opposition will face theyear's biggest races in their bids for re-election.

Democrats Paul Sarbanes of Maryland and Edward Kennedy of Massachusetts have been targeted by heavy-spending conservative political action committees, and Salt Lake City Mayor Ted Wilson will face Republican Sen. Orrin Hatch, the chairman of the Senate Labor Committee who has a lifetime voting record of 90 percent wrong on labor's scorecard.

Sarbanes won over token opposition in Maryland, where Democratic Gov. Harry Hughes was also renominated. Sarbanes will face Larry Hogan, a former officer of the anti-union Associated Builders & Contractors, in November. All six of Maryland's incumbent Democratic House members were renominated, five of them with endorsement from COPE.

IN MASSACHUSETTS, Kennedy will face Republican Ray Shamie and Dukakis's opponent will be former Boston city councilor John Sears. Only two of the state's 10 Democratic House members had opponents in winning nomination and neither of the two GOP House members did.

Rep. Clement J. Zablocki of Wisconsin easily won renomination in what was touted as a close race, and the state's Democrats also renominated Sen. William Proxmire. The governor's seat, vacated by Republican Lee S. Dreyfus, will be contested between Democrat Anthony Earl and Republican Terry Kohler. A nuclear freeze was endorsed by voters in the nation's first state ballot question on the issue.

Gov. Richard Snelling of Vermont will face Lt. Gov. Madeleine Kunin, who won the Democratic nomination with the backing of labor. Republican Sen. Robert Stafford will face Democrat James Guest.

IN RHODE ISLAND, Democratic Gov. Joseph Garrahy and Republican Sen. John Chafee had no primary opposition.

In Nevada, Cannon's Republican opponent will be Chic Hecht, and COPE-endorsed candidates won both Democratic House nominations—Harry Reid for the seat Santini left and Mary Gojack for the state's new seat.

Sen. Henry Jackson of Washington was renominated for a sixth term, and his Republican opponent will be Doug Jewett. In House races, labor has endorsed all seven Democrats, five of them incumbents.

DEMOCRATIC governors Hugh Gallen of New Hampshire and Richard Lamm of Colorado were renominated in states which have few contested primaries. House speaker John Fuhur will oppose Lamm, and Tufts professor John Sununu will test Gallen in November.

Labor-backed candidates ran well in contested Democratic congressional primaries held a week earlier in Florida, Connecticut and Arizona, but just missed upsetting a "boll weevil" incumbent in Alabama.

Senators and governors seeking renomination in states that held Sept. 7 primaries won easily or were unopposed. The most widely watched gubernatorial primary was in Alabama, where George C. Wallace sought to regain the office he had held for 12 years. Wallace, still immobilized by the bullet that halted his presidential quest in 1972, led but fell short of a majority. He will face Lt. Gov. George McMillan in a Sept. 28 runoff.

FLORIDA, which picked up four House seats in the post-census reapportionment, renominated all but one incumbent seeking renomination. The exception was the 4th District, around Daytona Beach, where conservative Democrat Bill Chappell, Jr., was forced into an Oct. 5 runoff with Reid Hughes, a COPE-endorsed businessman who challenged Chappell's support of Reagan spending cuts.

In the new 9th District, COPE-backed George H. Sheldon defeated a conservative Democratic opponent, while his Republican opponent will be picked in a runoff. COPE-backed Democrats also won contested elections in three other open districts—Brad Culverhouse in the 12th, Dana N. Stevens in the 13th and Larry Smith in the 16th.

There was special interest in the 15th District, now represented by Republican E. Clay Shaw, Jr., who was helped by a redistricting. The Democratic nomination was won by COPE-supported Edward J. Stack, who served in the 96th Congress.

Only two Connecticut congressional districts had opposing candidates, and both Democratic winners were labor-backed. In the 3rd District, Bruce Morrison won an upset victory to face incumbent Republican Lawrence J. DeNardis in November. The 2nd District Democratic contest, for the seat that Toby Moffett is giving up to run for the Senate, was won by William E. Curry, Jr.

IN A NEW Arizona district, in the Tucson area, Jim McNulty won with COPE support over a primary opponent who called him "too liberal." He will face a close race in November against Republican Jim Kolbe.

In Alabama districts with contested House contests, COPE-backed Billy Joe Camp was nominated to face incumbent Republican William L. Dickinson in the fall. Conservative Democratic incumbent Richard C. Shelby won renomination against an unexpectedly strong challenge from COPE-backed Jack Kartus and will have no Republican opposition.

Wholesale Price Rise Continues Moderate Pace

Prices at the wholesale level rose another six-tenths of 1 percent in August, the same increase as the previous month, the Bureau of Labor Statistics reported.

Analysts found no signs of an economic recovery in the August report on producer prices, however, as key commodities continued to reflect weak demand. Construction materials at the intermediate level—one of the first areas to show strength in a recovery—fell by four-tenths of 1 percent last month, marking the largest drop since April 1980. Prices of crude nonfood items and nonenergy goods also were soft, declining six-tenths of 1 percent.

OVER THE YEAR, wholesale prices have risen a moderate 4 percent. Changes in producer prices are regarded as a harbinger of future consumer price changes.

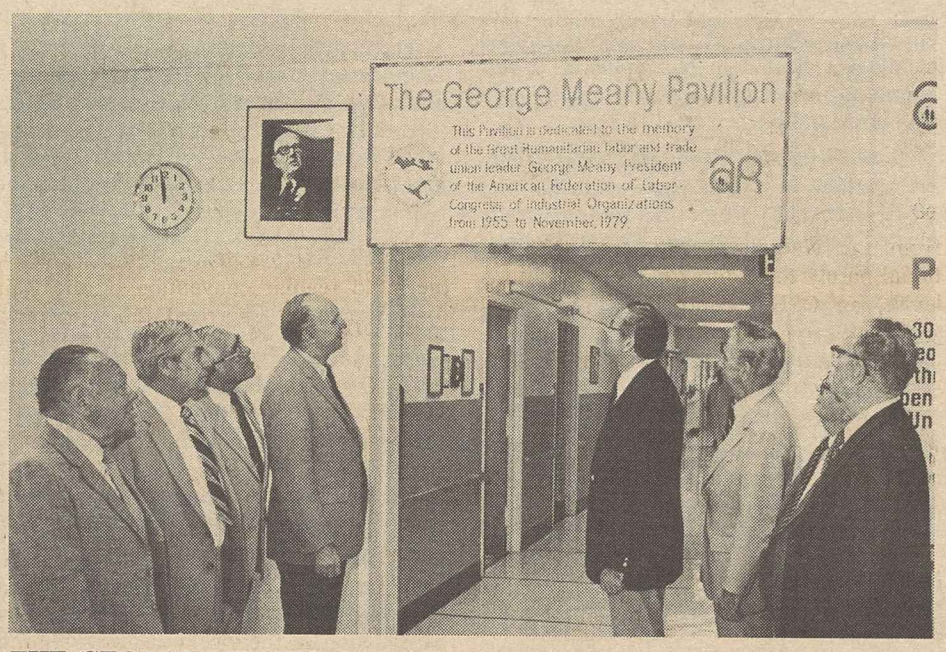
The latest producer price report showed that among finished goods ready for sale to the consumer energy rose far less in price than in either June or July. On the other hand, food prices inched up after a sharp decline in July.

BLS said prices for capital equipment and goods other than food and energy increased somewhat more than in July. Prices of intermediate goods, or items that require further processing, edged down one-tenth of 1 percent in August, following three consecutive months of small increases. Crude material prices dropped six-tenths of 1 percent, their third monthly decline in a row.

PRICES OF finished energy goods climbed 1.2 percent, marking the smallest rise in the last three months. BLS said price increases "slowed markedly" for both gasoline and natural gas, and prices for home heating oil edged down. Energy prices jumped 4.1 percent in June and 5.7 percent in July at the wholesale level after falling during the first five months of the year. Over the year ended in August, finished energy prices were up by only three-tenths of 1 percent.

Producer food prices edged up one-tenth of 1 percent last month after falling by 1.5 percent in July. BLS said prices turned up for fish, fresh fruits, pork, and processed poultry.

Auto prices went up 2.4 percent in August, as factories provided only weak incentives to dealers to lower prices.



THE GEORGE MEANY wing of the Workmen's Circle Home and Infirmary for the Aged was officially opened Sept. 12 by AFL-CIO Sec.-Treas. Thomas R. Donahue. The 30-bed addition to the Bronx, N.Y., facility contains a dining room, recreation area, and medical offices. The home for trade unionists cares for more than 500 residents, 171 of them between the ages of 91 and 102.

School Administrators Press Growth in Size, Influence

Kiamesha Lake, N.Y.—Delegates to the third convention of the American Federation of School Administrators reviewed the union's progress and achievements since it received its international charter in 1975, and mapped plans for the future.

In an address to the 92 delegates and 48 alternates, President Peter S. O'Brien pointed out that efforts in the organizing area have grown significantly, and that the union has made its presence known in state legislatures on matters affecting its members.

THE UNION represents middle-level school supervisors, including principals and vice principals, in 14 states and Puerto Rico.

O'Brien cited AFSA efforts to influence the California state legislature on the matter of equitable distribution of state funds, and the Michigan State Council's daily battles to ensure contract integrity and avoid layoffs in a state with the highest jobless rate in the country.

During the three-day meeting, delegates also elected officers, attended a number of professional conferences, and heard from several speakers.

O'Brien was re-elected to a three-year term. Also returned to office were Sec.-Treas. Ted Elsberg and Executive Vice President Martin Kalish.

The convention approved a phased-in dues increase. Monthly per capita payments will rise from the current $3 to $3.50 in 1983 and later to $4. Delegates also endorsed plans to relocate the union's headquarters from New York City to the Washington, D.C., area. Details of the relocation plan have yet to be worked out.

O'BRIEN OPENED the convention with an appeal to help make Solidarity Day II—Election Day, Nov. 2—the beginning of the end of the Reagan Administration. He also announced a number of new insurance benefits available through the union to members.

Speakers included President Albert Shanker of the American Federation of Teachers; San Francisco Schools Supt. Robert Alioto; Pontiac, Mich., Schools Supt. Odell Nails, and Vice President Joyce Miller of the Clothing & Textile Workers, who is president of the Coalition of Labor Union Women and an AFL-CIO vice president.

Montana Labor Girds for All-Out Effort in Election

Helena, Mont. — The Montana AFL-CIO is moving into the election campaign with membership at an all-time high and affiliates united in battle against Reagan Administration policies nationally and union-busters in the state legislature.

New affiliations and reaffiliations boosted the state federation's membership nearly 20 percent over last year, a gain that platform speakers and delegates alike attributed to a coming together in the face of adversity.

"Times are tough, but we're tough too," was the slogan on buttons worn by delegates and on a large convention banner.

RESOLUTIONS passed by the state federation's 26th annual convention reiterated labor's commitment to coalition-buildings with other progressive groups in the state and warned against the balanced budget constitutional amendment pending in Congress.

Delegates took note of increased activity by "right-to-work" forces in Montana and of pressure to repeal the state's "little Davis-Bacon Act," which requires prevailing wages on state-funded construction.

Montana is one of the few states without a state sales tax, and delegates strongly urged that it remain so. That will be one of the issues in the legislative contests.

The convention also urged enactment of legislation requiring advance notice of plant closing and endorsed an initiative that will be on the November ballot requiring that at least 25 percent of the state's coal tax trust fund be invested within the state.

A CONVENTION banquet was turned into a good-natured "roast" of James W. Murry, the state federation's executive secretary. The master of ceremonies for the surprise event was President Robert F. Goss of the Oil, Chemical & Atomic Workers, who had been billed as the banquet speaker.

National COPE Director John Perkins and James Kennedy, executive assistant to AFL-CIO Sec.-Treas. Thomas R. Donahue, were among the convention speakers.

Delegates endorsed incumbent Democrats John Melcher for the Senate and Pat Williams for one of the state's two House seats. Democrat Howard Lyman will have labor's support in running against incumbent Ronald Malenee for the other seat.

Organizing, Health Issues

UAW Sues Labor Dept. On Enforcement Failures

The Auto Workers have taken the Reagan Administration to court on charges of failing to enforce laws governing the reporting of anti-union activities and of concealing evidence on the cancer risk workers face from exposure to formaldehyde.

In one suit filed with the U.S. District Court for the District of Columbia against Labor Sec. Raymond J. Donovan, the UAW accused the Labor Dept. of neglecting to require Kawasaki Motor Corp. and its hired law firm to file reports under provisions of the Landrum-Griffin Act.

ACCORDING TO the suit, Donovan rejected the UAW's complaint of noncompliance even though Labor Dept. investigators found that Kawasaki had engaged in a number of reportable activities during the union's organizing campaign in 1978 and 1979 at the company's Lincoln, Neb., plant. The suit also accuses the consulting law firm of Tate, Bruckner & Sykes of Lincoln, Neb., of anti-union activities that were not reported.

The suit notes that under the Freedom of Information Act the UAW obtained a Labor Dept. report which disclosed that the company had refused the department's requests to file the reports required under the Landrum-Griffin Act.

The anti-union activities that should have been reported, according to the suit, included spying on workers through planted agents, assistance in establishing an anti-union employee organization, training supervisors to sway workers against organizing, and payments for information about the UAW's history and activities.

SECTION 203 of the Landrum-Griffin Act requires an employer to file reports with the Secretary of Labor detailing any expenditures intended to directly or indirectly influence the organizing or collective bargaining rights of employees. Consultants hired to persuade workers to reject unionization are also required to file reports under the law.

The suit asks the court to order Donovan and Assistant Labor Sec. Donald L. Dotson, head of the department's labor-management relations division, to enforce the provision of the law.

In the formaldehyde suit filed earlier in the same federal court, the UAW asked that the Occupational Safety & Health Administration be ordered immediately to reverse its "bad faith" refusal to issue an emergency temporary standard to significantly lower permissible workplace exposure levels to the chemical.

THE UNION also asked the court to require OSHA to make public a number of documents containing evidence that formaldehyde exposure poses a high risk of cancer to workers. The UAW charged that OSHA had this evidence before it refused to issue stiffer exposure limits, but withheld it from the public record.

The union's action was sparked by OSHA's denial in January of a petition for a new standard initiated by the UAW in October 1981 and joined by the AFL-CIO and 11 other unions.

The current OSHA standard limits worker exposure to three parts of formaldehyde per one million parts of air (3 ppm), but the union has called for reducing permissible exposure to "the lowest feasible level." It cited new findings of the hazards posed by formaldehyde, including studies showing nasal cancer in animals exposed to formaldehyde vapor levels comparable to the current workplace limits.

OSHA'S REFUSAL to issue the emergency standard was "arbitrary, capricious, and not in accordance with the law," the union charged. UAW President Douglas A. Fraser said in a statement that the union has "excellent reason to believe that OSHA has withheld evidence in its possession that demonstrates the risks posed by exposure to formaldehyde."

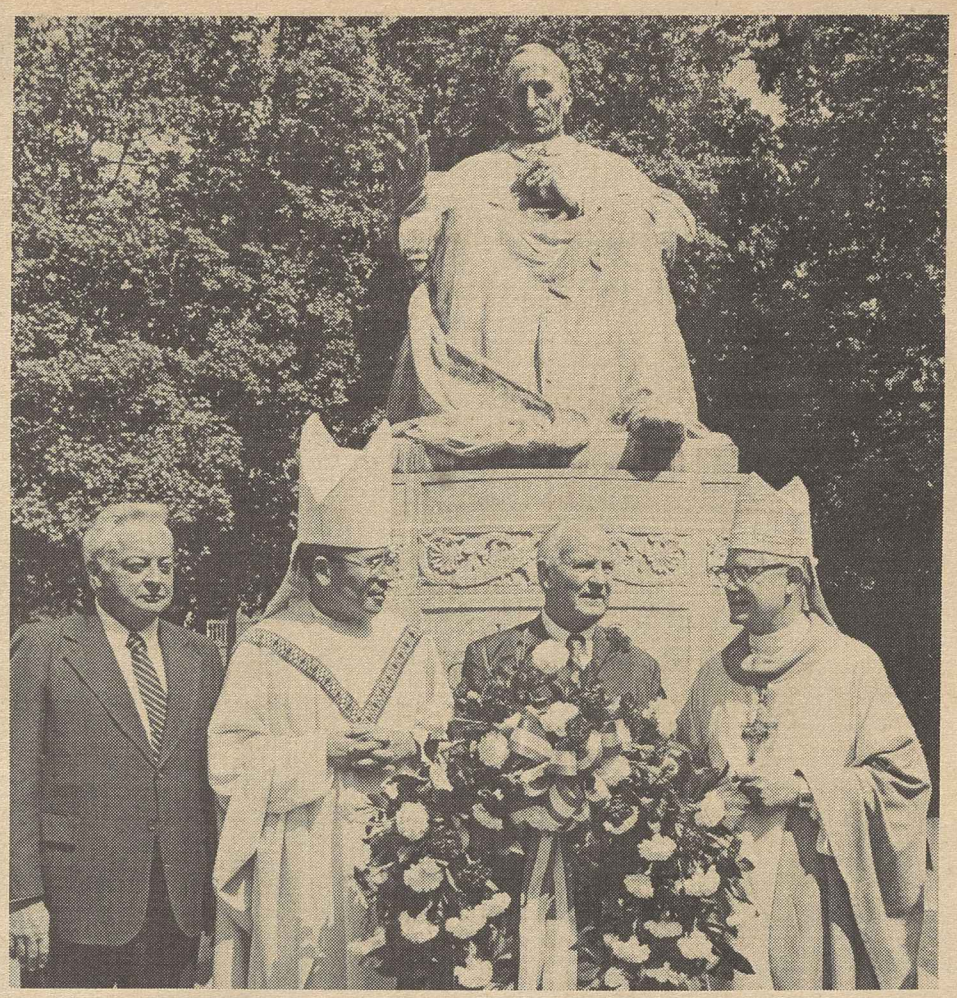
The UAW said its attorneys have or have seen the documents known to be in OSHA's possession when the petition was denied, but the department has not complied with the Auto Workers' requests for copies of reports under the Freedom of Information Act.

Among the documents the UAW wants made public are studies of formaldehyde-related cancer cases, recommendations from the National Institute of Occupational Safety & Health for lower exposure levels, an OSHA contractor's report assessing the regulatory impact of lowering exposure standards, and an OSHA staff analysis of risks based on reports of nasal cancer in workers exposed to the chemical.

An estimated 1.6 million workers are exposed to formaldehyde in more than 60 industrial categories, the union noted.

THE UAW said it was turning to the federal court for help with the suit filed against Labor Sec. Raymond J. Donovan and OSHA Administrator Thorne G. Auchter because of OSHA's continued silence on the documents and its failure to respond to a July 15 appeal for a review of its denial of the original petition.

Fraser said "this is not the first time we have disagreed with the Reagan Administration over OSHA policy."



FLORAL WREATH commemorating James Cardinal Gibbons, one of the early champions of the American labor movement, is placed in front of a statute of him at the Shrine of the Sacred Heart in Washington, D.C. The ceremony followed the annual Labor Day mass sponsored by the Archdiocese of Washington and the Metropolitan Washington Council, AFL-CIO. From left, are John Cosgrove, former legislative director of the AFL-CIO Public Employee Dept.; Auxiliary Bishop Eugene A. Marino of the Washington archdiocese; Plumbers & Pipe Fitters President Martin J. Ward, and Archbishop James A. Hickey.

Rail Signal Union Approves Canadian Members' Spinoff

San Francisco—Nearly 300 delegates to the 42nd regular convention of the Railroad Signalmen approved the withdrawal of Canadian members into an autonomous Canadian union.

The delegates, representing about 14,000 railroad workers, also re-elected President R. T. Bates and Sec.-Treas. W. D. Best by acclamation along with the six vice presidents.

WITHDRAWAL OF the Canadian members to form a new national union in Canada was one of the first orders of business, and the convention unanimously approved a resolution calling for the transfer of jurisdiction and bargaining rights for signalmen employed on Canadian carriers.

Approximately 1,400 Canadian workers will now form the Canadian Signal & Communications Union with former BRS Vice President John Platt leading the group into a founding convention in November.

Delegates approved a series of bargaining goals and acted on a long series of resolutions. In the process, they turned back an attempt to alter the current per capita system which is pegged at one and one-third hours' pay per month at the prevailing signalman-mechanic rate.

IN AN ADDRESS to the delegates, Sen. Alan Cranston (D-Calif.) called for Democratic alternatives to the Reagan Administration's cuts in job training programs, and help for the aged, the handicapped and "people shackled by discrimination and lack of education."

Fred Hardin, president of the United Transportation Union and chairman of the Railway Labor Executives' Association, warned delegates they face a tough battle to save the Railroad Retirement System as it now stands and that they will get no help from management in that battle. But he further observed that rail labor has much to gain by working together for the common good.

Charles Chamberlain, former president of the union and now labor member of the Railroad Retirement Board, reiterated Hardin's warning on the retirement system.

"They think that if they can't dismantle us and abolish the system, they'll strangle it by reducing our personnel," Chamberlain charged. "Rail labor—and only rail labor—is doing the job on the legislative front to protect this system."

RICHARD I. KILROY, president of the Railway & Airline Clerks and executive secretary of the RLEA, emphasized that "to meet today's and tomorrow's challenges, labor must be more united than it ever was in the past. The enemy has grown in size, sophistication and money. We cannot match them in money. But together we can make a difference."

Other speakers included James Kennedy, executive assistant to AFL-CIO Sec.-Treas. Thomas R. Donahue; Joseph Walsh, former BRS vice president and now administrator of safety for the Federal Railroad Administration; James Snyder, head of the RLEA legislative committee and national legislative director for UTU; Robert Liggett of the Seaboard Coast Line, and Richard Howard, secretary-treasurer of Labor newspaper.

Newspaper Guild, ITU Agree on Merger

Colorado Springs, Colo.—Special committees of international and local leaders of The Newspaper Guild and the Typographical Union capped talks spanning nearly five years by reaching agreement on a proposal to merge. The proposal is subject to ratification procedures within each union.

The agreement was wrapped up Sept. 10 at the ITU's headquarters here after a four-day meeting of the committees, which met for the first time in November 1977.

THE NEW UNION would be called the Media Employees International Union, ITU/TNG. It would be the largest union made up primarily of newspaper employees in the United States and Canada. The ITU currently has just over 47,000 active members and the Guild about 32,000. The vast majority work for newspapers.

In the Guild, merger must be approved by the international executive board, which will meet the week of Oct. 18, then by a special convention, probably in January, and finally by a membership referendum, probably in March.

In the ITU, the only further step required is approval in a referendum.

Leaders of the two unions have agreed that the membership of each will vote simultaneously on the proposal.

EFFECTIVE date of the merger would be next June 1. The new union's founding convention would be soon thereafter.

ITU President Joe Bingel called the merger proposal "an answer to the challenges" faced by both unions.

"As the new technologies continue to blur the lines of jurisdictional demarcation, the joining together of the two labor bodies into one dynamic, new media union, with not only the determination but the strength to represent its members and fight for their rights, would come at precisely the right moment," he said.

TNG President Charles A. Perlik, Jr., called the merger agreement "a workable blueprint for a viable, aggressive new union."

Headquarters of the new union would be in the ITU's facility here, at least for the first two years. There also would be Washington and Canadian offices.

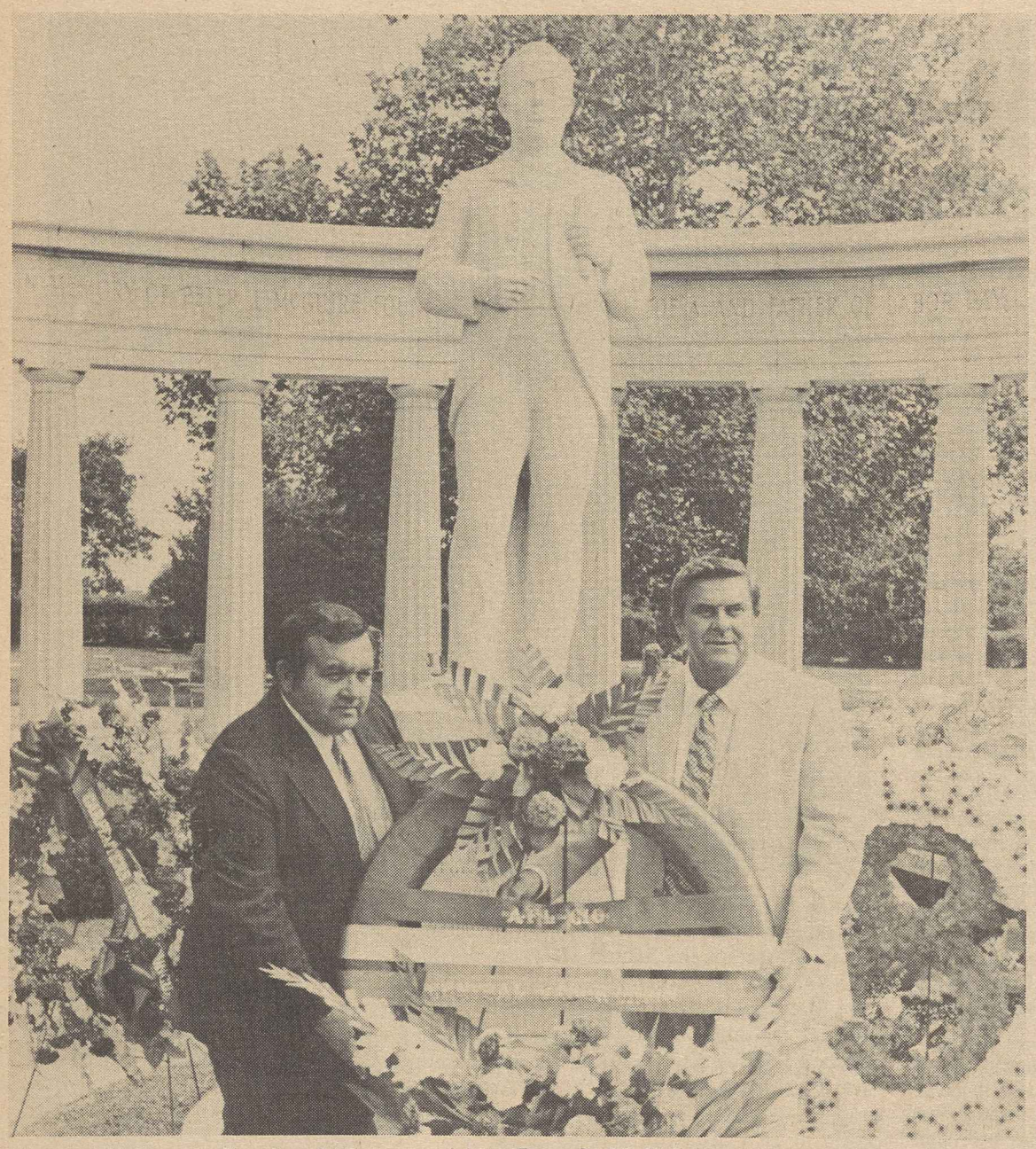
BETWEEN annual conventions, the new union would be directed by a two-tier structure of leadership: a full-time executive council and a governing board, which would meet at least twice between conventions, as well as immediately before and after the session.

DURING A transition period, there would be nine members of the council, five from the ITU and four from the Guild. Thereafter there would be five council members, elected without regard to membership in either predecessor union.

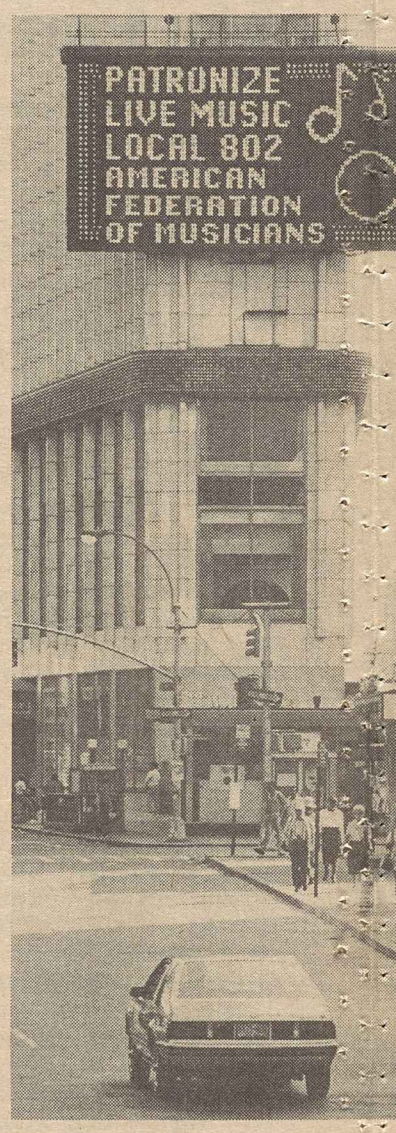
In addition, during the first half of the transition period, the governing board would be made up of 14 regional and 15 at-large representatives, with membership divided evenly between the predecessor unions for the regional seats while eight of the at-large positions would be filled from the ITU and seven from the Guild. In the second half of the transition, the at-large seats would be reduced to nine—divided five and four. Thereafter there would be seven at-large positions and seven regional, all elected without regard to the predecessor unions.

Local mergers would be encouraged, but would be left to votes by majorities of each of the locals involved. Joint and coordinated bargaining by locals representing employees of the same employers also would be encouraged.

Labor Day



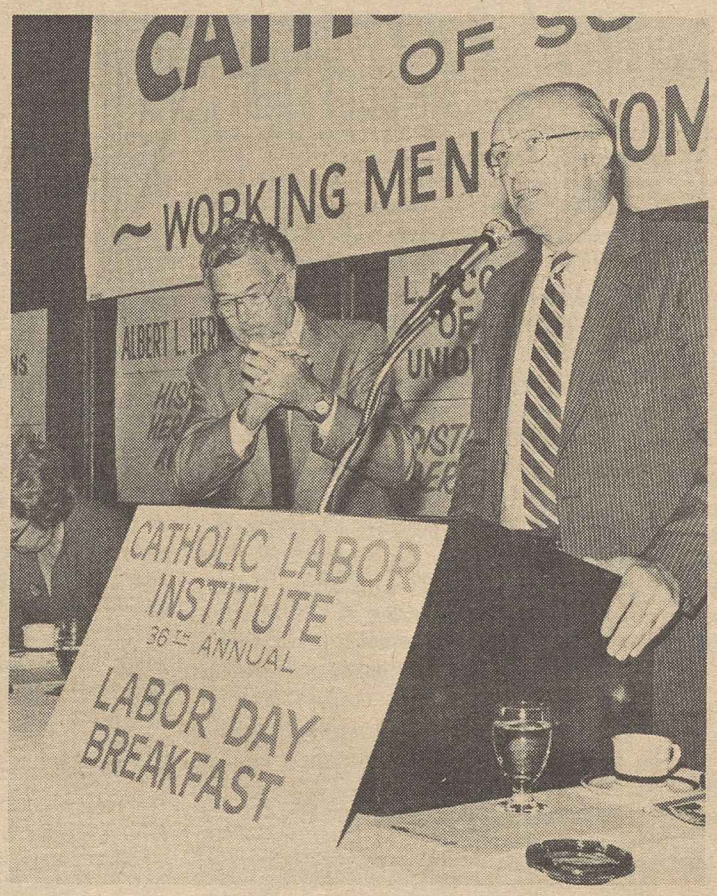
Wreath is laid at a Camden, N.J., memorial to Peter J. McGuire, the founder of Labor Day, which was first observed in 1882. Officiating at the ceremony were New Jersey AFL-CIO President Charles Marciante, left, and Camden AFL-CIO President George Norcross.



At New York's Times Square, more than two dozen unions beamed messages to the public during the holiday weekend.

Youngsters join in the festivities as they line up for hotdogs and drinks at a California picnic.

Marchers, floats and bands drew massive crowds in Chicago for the city's first Labor Day parade in 40 years.



Sec.-Treas. Thomas R. Donahue spoke in California at a Labor Day breakfast and later at a COPE picnic.

One of the many floats in the massive parade on New York's Fifth Avenue promoted the

y—1982

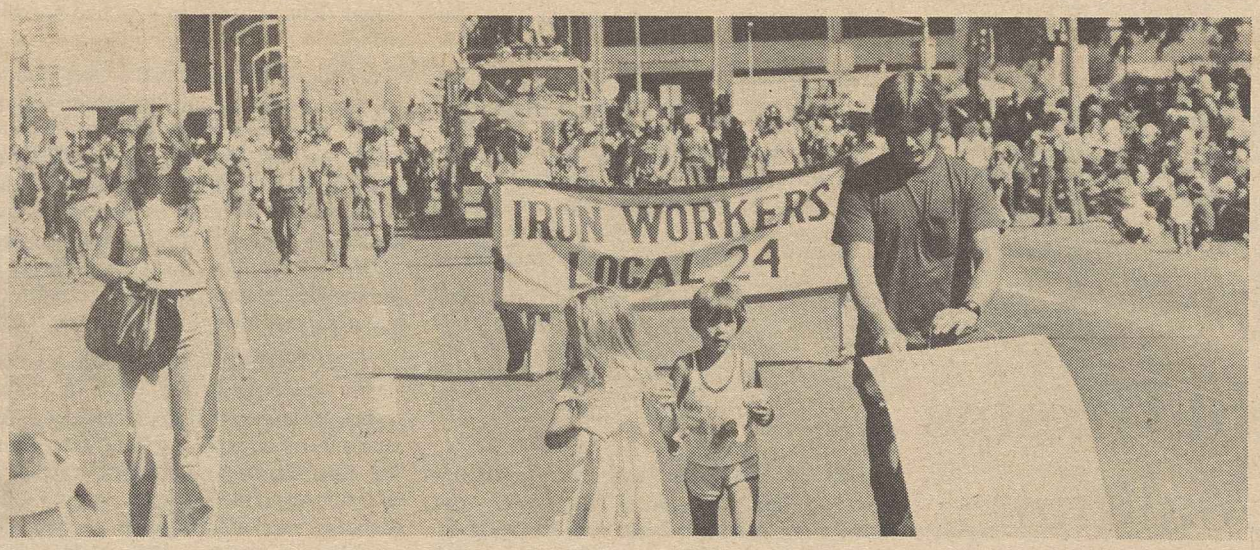
In big cities and small communities across the country, the 100th anniversary of Labor Day was given the largest observance in many years by the nation's trade unions.

There were picnics, performances, concerts, demonstrations, marches, fireworks and speeches.

The speakers, marchers and bystanders carried a common message to the Reagan Administration: its policies have brought deep recession, soaring unemployment and misery.

In Louisiana, more than 13,000 workers joined in a solidarity march to the state capitol in Baton Rouge to protest the governor's failure to remedy the state's excessive unemployment rate, estimated at 15 percent.

As many as 40,000 New England trade unionists turned out with their families for a march through Boston to protest Reagan Administration economic policies. The Massachusetts AFL-CIO said the pre-Labor Day rally was the largest demonstration or parade ever held in the state.

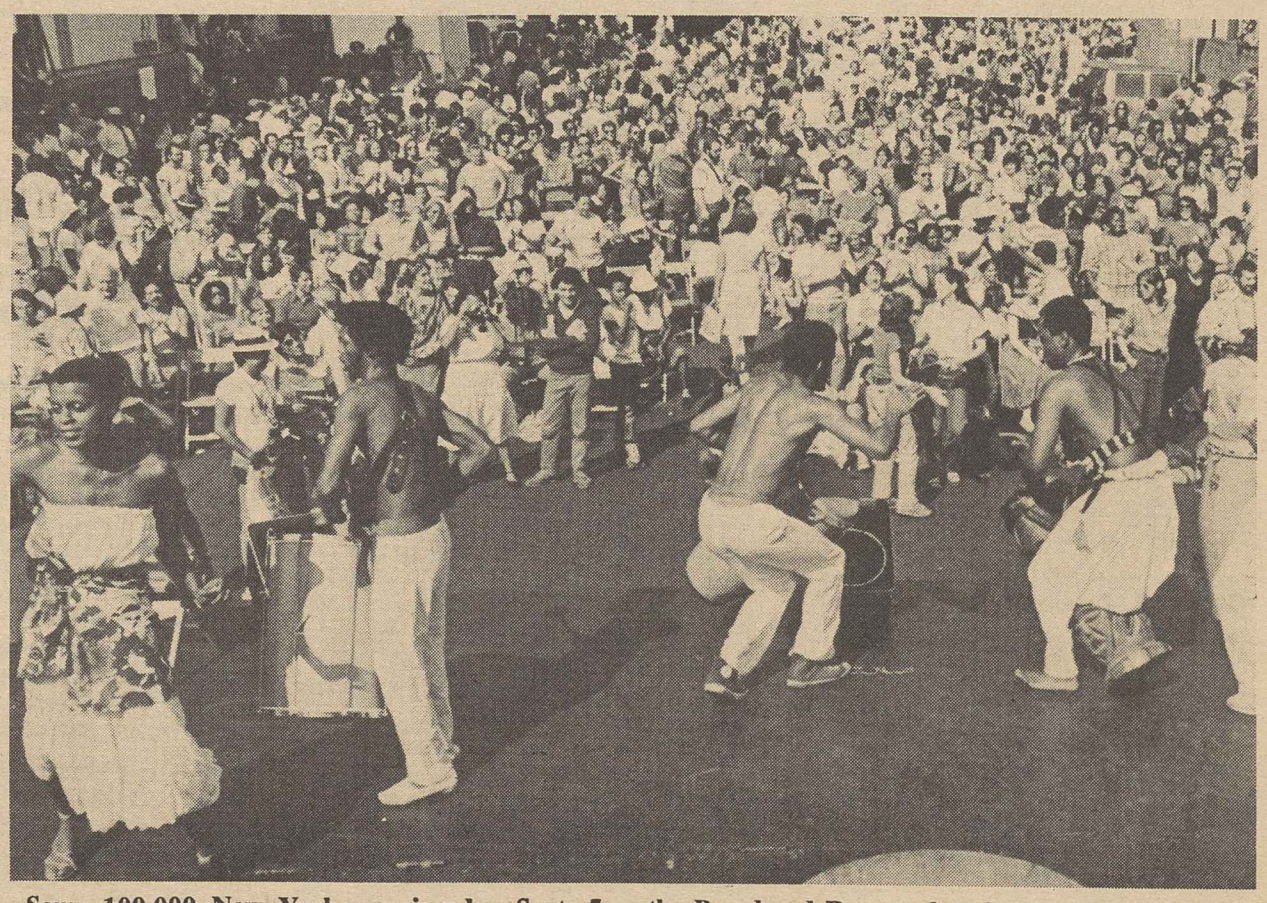


In Denver, tens of thousands of persons attended a downtown parade as well as picnics and free concerts at the state capitol.

Even parade bystanders brought a message for President Reagan.

rade
the

union label. The 100th anniversary celebration drew more than 400,000 persons.



Some 100,000 New Yorkers enjoyed a Sept. 5 street fair that featured entertainment provided by the Bread and Roses cultural program of District 1199 of the Retail, Wholesale & Dept. Store Union.

Detroit School Strike Centers On Pay Issue

Detroit's 10,000 teachers, angered by a school board demand for concessions, struck Sept. 13 as teachers in other towns and cities throughout the country found themselves in similar disputes.

President John Elliott of the Detroit Federation of Teachers predicted the strike would be a long one.

"Considering the board's attitude of the last few weeks and our suspicions that they wanted us out, we would predict that this might be a long strike," Elliott said. In 1979, the union struck for 17 days in a pay dispute.

THE DETROIT strike, the largest of a number of school labor disputes this fall, came when negotiators, including a state mediator, were unable to agree on an economic issue. The two sides had agreed to a three-month extension of the current contract while a panel appointed by the Michigan Employment Relations Commission examined the school board's finances to verify its reported deficit in the 1982-83 operating budget of between $38 and $60 million.

But the parties could not agree on the matter of paying the teachers for four scheduled days off with pay in the interim period. The board wanted to give the teachers compensatory time off for the days worked or defer cash payment until they retired. The union insisted on cash.

Elsewhere in Michigan, about 1,550 teachers in six other districts were on strikes, and teacher walkouts were under way in Illinois, Pennsylvania, and New Jersey.

ABOUT 3,300 teachers were on strike in 17 Pennsylvania school districts. Teachers in three Illinois districts were picketing, but a weeklong strike in Palatine-Rolling Meadows District 15 ended in a tentative settlement. Teachers in the Cleveland suburb of North Olmsted ratified an agreement with the school board Sept. 12, ending a seven-day strike there.

Earlier, teachers in Chicago and Philadelphia settled their contract differences. In Philadelphia, agreement on an 18-percent wage increase over three years followed bargaining sessions attended by Mayor William Green.

Coors Beer Slates Layoffs As Sales Continue to Skid

Golden, Colo.—Coors brewery, drained by slumping sales and profits, announced plans to lay off 500 of its 7,000 workers by Oct. 1. Coors beer has been on the AFL-CIO boycott list since April 1977 when members of Directly Affiliated Local Union 366 went on strike.

The company reported back-to-back declines in sales for the first and second quarters of 1982 even though Coors sharply increased its advertising budget last year. In July, Coors disclosed that sales for the second quarter dropped 13 percent from the year-ago quarter.

Except for 1980, Coors sales volume has been below pre-strike levels. But the company's profits have been flat since 1976, the year before the strike. Last year, net income skidded to $51.9 million, compared with $76.4 million in 1976.

During the past year, Coors abandoned plans to build a brewery in Harrisonburg, Va., a further indication of lagging sales.

Social Security Financing Declared Basically Sound

Despite scare talk from the Reagan Administration about the "imminent bankruptcy" of social security, top officials of three previous administrations pronounced the system basically sound.

In a statement on behalf of Save Our Security (SOS), a coalition of 100 organizations, the four officials said that while social security faced short-term cash flow problems growing out of the stagnation of the economy, all signs—even forecasts by social security's Reagan Administration trustees—"point to a system which will remain healthy well into the 21st Century."

THE STATEMENT, marking the 47th anniversary of the signing of the Social Security Act, was issued by Wilbur J. Cohen, HEW Secretary in the Johnson Administration; Arthur Fleming, HEW Secretary under President Eisenhower; William J. Driver, Social Security Commissioner in the Carter Administration, and Charles Schottland, who held that post in the Eisenhower Administration.

The officials said that despite Administration efforts to paint a bleak picture of the future of social security, Americans continue to support the program in its present form. A recent Gallup poll, they noted, shows that Americans favor retaining the present benefit structure, even if it means higher employee and employer contributions.

Calling for a "reasonable, not a panic, approach" to social security's problems, the officials, on behalf of SOS, outlined a 14-point program to meet social security's cash flow problems and insure its financial stability. The program includes:

- Giving social security back-up authority to borrow money from the Treasury, if need be.
- Assuring continuation of Medicare and Medicaid benefits without requiring beneficiary payments beyond present requirements.
- Removing social security from the unified federal budget and restoring trust funds to the autonomous state they held prior to fiscal year 1969.
- Adding public members to the board of trustees.
- Restoring the minimum $122-a-month benefit for all future beneficiaries.
- Restoring the benefits "without qualification" for 700,000 college students.

Meanwhile, the Republican Party's controversial TV ad giving President Reagan credit for the July 1 cost-of-living increase in social security pensions has been popping up again around the country.

AFL-CIO Social Security Director Bert Seidman, an adviser to the latest White House Conference on Aging, said the President actually tried to kill the pension increase that the Republicans now claim he delivered.

"BUT SENIOR citizens won't be fooled," Seidman said. "They know they have been getting yearly cost-of-living increases since 1975. . . . And they won't forget that only a huge public outcry stopped Mr. Reagan from delaying this year's payment or drastically cutting it.

"The President's actions speak louder than the Republicans' words. President Reagan is no friend of social security—and he has no right to claim that he is."

New Reports Show Slump Dragging On

(Continued from Page 1)

businesses said they planned to spend 2.4 percent less this year than last year.

If these forecasts are borne out, it would mark the first decline in real, or inflation-adjusted, capital spending since 1975. Capital spending increased by only two-tenths of 1 percent in 1981 and by nine-tenths of 1 percent in 1980, both basically flat rates of increase. Commerce Sec. Malcolm Baldridge said in a statement that he did not expect capital spending to pick up before mid-1983.

Reporting on the reduced spending plans, the Wall Street Journal said "the new figures underscore doubts about the Reagan Administration's economic program, which was designed to boost business investment, spur productivity, and create jobs."

EARLIER, the Commerce Dept. reported that sales by U.S. retail outlets fell nine-tenths of 1 percent in August, a much weaker performance than many analysts had expected. Store sales in July had risen 1.2 percent. Last month's decrease followed repeated forecasts by Administration officials that improving consumer confidence and the 10-percent cut in personal income tax rates that went into effect July 1 would head the economy on the road to recovery.

A consumer-led recovery is still some distance away, judging from several other economic reports, including a marked slowdown in consumer installment buying and a high savings rate.

The Federal Reserve Board said consumer debt grew a modest, seasonally adjusted $570 million in July, considerably off the $1.35-billion level in June. Installment debt figures are watched for possible trends in consumer spending.

Apparently pessimistic over the future of the economy, and uncertain about their jobs, Americans are saving what money they can get their hands on. Preliminary reports indicated that the savings rate for July was 8.1 percent of disposable income. Analysts agree that a recovery from the nation's eighth postwar recession will not come about until consumers reduce their savings rate and increase their spending.

FOR MILLIONS of Americans, however, spending is the least of their concerns. Hanging on to a job and making ends meet occupy more of their thinking. In the last week of August, the Labor Dept. said, 629,000 new claims for jobless benefits were filed—the second highest number since the recession began in 1981.

Unemployment, at 9.8 percent nationally, threatens to climb to 10 percent or above in September as industry after industry lets more people go. The depressed steel industry, for example, recorded another sharp job decline in July, the American Iron & Steel Institute reported.

Unions, Environment Groups Form Permanent Coalition

The OSHA/Environmental Network, launched as an experimental coalition of labor, environmental and health groups to fight Reagan Administration policies, has announced the formation of a permanent alliance.

At a Washington meeting, leaders of the network selected an executive committee to be co-chaired by Howard D. Samuel, president of the AFL-CIO Industrial Union Dept., and Joseph Fontaine, immediate past president of the Sierra Club.

"THE NETWORK was begun as an experiment and it has proven to be a complete success," Samuel and Fontaine said in a joint statement. "Now the experiment is over and we're assured that labor and environmental groups can work together on issues that have divided us in the past."

The first action of the new executive committee, which will serve as a formal policy-making body, was the adoption of resolutions on various job safety and health and environmental issues. These include occupational disease, clean air, clean water, pesticides, regulatory reform, toxic waste disposal and environmental research.

The coalition came together in February 1981 to fight anti-regulatory assaults by the Reagan Administration on the Occupational Safety & Health Act and the Clean Air Act. Since then, the organization has grown into a 22-state operation.

THE NETWORK'S state organizations sponsored a series of "victims vigils," which focused national attention on the issues by picketing the White House, demonstrations at state capitols and lobbying of state legislatures and Congress.

Besides Samuel, labor members of the network's new executive committee include Steelworkers President Lloyd McBride; Allied Industrial Workers President Dominick D'Ambrosio; Auto Workers President Douglas A. Fraser; State, County & Municipal Employees Sec.-Treas. William Lucy; and Sec.-Treas. Jacob Sheinkman of the Clothing & Textile Workers.

Other members are former Sen. Gaylord Nelson, president of the Wilderness Society; Brock Evans, of the Audubon Society, Dr. Anthony Robbins of the American Public Health Association, Rafe Pomerance of the Friends of the Earth, and Frances Dumelle of the American Lung Association.

Retired Education Staffer Stuart Brock Dies at 65

Martinsburg, W.Va.—Stuart P. Brock, who retired from the AFL-CIO Dept. of Education staff three years ago, died Sept. 8 at the Veterans Administration hospital here after a long illness. He was 65.

Brock had been on the CIO Dept. of Research & Education staff since 1946 before coming to the AFL-CIO Dept. of Education following merger. Survivors include his wife Mary and two children.

Rising Resistance to Reagan Revealed in Veto Override

(Continued from Page 1)

meals to the elderly in their homes, and perform significant services in hospitals, schools and day care centers. To thousands of elderly, these aides are their contact to life and happiness."

Reagan initially claimed the inclusion of $211 million for jobs for senior citizens was excessive. Though he later relented on this issue, he continued to oppose the vetoed measure's provisions for $700 million for education of the handicapped, student loans and other social programs.

BY A LOPSIDED 301 to 117 vote, the House rejected the President's veto and sent the measure to the Senate, where Republicans have an outright majority. The Senate delivered the knockout blow on a 60 to 30 vote, precisely the two-thirds ballot needed to enact the bill. It was the first time in the Reagan presidency that attempts to override a spending veto had succeeded. The only other override was on a bill providing for changes in the copyright law.

WHAT LED to the defeat for Reagan was a breakdown in Republican unity. The votes took place shortly after a congressional recess during which many Republicans running for re-election took political soundings. As Sen. Mark O. Hatfield (R-Ore.), a leader of the move to override the veto, put it:

"The members of Congress have been home. They heard their constituents."

In the House, 81 Republicans joined 220 Democrats on the vote to override the measure. In the Senate, 21 Republicans sided with 39 Democrats to defeat the veto.

Administration Scheme Rejected

Fact-Finder Rebuffs Bid To Slash Wages at GPO

A federal fact-finder has recommended that Congress reject attempts by the Reagan Administration to slash the pay of Government Printing Office craft employees by bringing them under the federal wage system and abolishing their collective bargaining rights.

The findings of arbitrator Frederick U. Reel, which add up to another rebuff of Public Printer Danford L. Sawyer, were sent to the congressional Joint Committee on Printing for a final determination on a new agreement for some 6,000 GPO employees who have been working without a contract since June 18.

IN JULY, a federal court blocked an attempt by Sawyer to furlough GPO workers for six days without pay.

Reel recommended that the congressional committee institute a two-year agreement retroactive to June 18 that is patterned after wage settlements in the printing and publishing industries. The package would include an immediate cost-of-living adjustment of 3 percent, followed by additional COLAs every six months.

The recommended pay package falls below the wage improvements sought by the seven GPO unions, President William C. Boarman of Columbia Typographical Union 101 noted. The ITU local represents the largest number of GPO employees.

But Boarman stressed that Reel's rejection of Sawyer's proposal that the GPO be placed under the federal wage system is in total agreement with the union's position. Under Sawyer's proposal, the wages of GPO workers would be slashed by 22 percent.

SAWYER CONTENDED that work at the GPO is basically comparable to that of other federal government agencies. In his findings, Reel said that premise "is completely erroneous."

Any attempt to equate the operations of the GPO or "its wage structure with that of other existing federal printing facilities must be viewed as either ill-informed or unconcerned with the quality of GPO work and with its capacity to continue to furnish the service Congress has heretofore required of it," Reel said.

Sawyer has also sought repeal of the 1924 Kiess Act, which provides collective bargaining rights for GPO workers, unlike most other federal employees with the exception of those in the Postal Service.

For Sawyer to impose federal wage rates at the GPO, Reel suggested, could be viewed as a surrender of collective bargaining rights and "a violation of the most elementary principles of the nation's basic labor relations legislation."

REEL ALSO recommended rejection of Sawyer's proposal to slash evening shift differential pay from 15 percent to 7.5 percent and to 10 percent for night shift workers.

"Any such dislocation as GPO recommends might well cost more in terms of disrupting the morale or in necessitating other upward adjustments of rates than it would achieve in slight superficial economies," Reel declared.

FORMER ISRAELI Foreign Sec. Abba Eban, addressing union leaders from the New York metropolitan area, discussed recent events in his homeland at a meeting sponsored by the National Committee for Labor Israel. Seated, left to right, are Clothing & Textile Workers Vice President Joyce Miller; Herbert Levine, dean-emeritus of Rutgers University's labor school and special consultant to the committee; Bayard Rustin, chairman of the A. Philip Randolph Institute, and Committee Director Bernie Jacobson.

Recession, Inflation Pushing More Families Into Poverty

The nosediving economy is pulling more Americans into poverty, and family purchasing power is also a casualty of recession and inflation, a government study of family income confirmed.

Between 1980 and 1981, the number of people below the government's statistical poverty line increased 7.4 percent from 29.6 million to 31.8 million, a jump of 2.2 million, according to the Census Bureau's study, "Money Income and Poverty Status of Families and Persons in the U.S. for 1981."

THE STUDY said factors contributing to the increase in poverty were "the recession that began in mid-1981 and the associated rise in unemployment."

One of every seven Americans lived below the poverty thresholds in 1981, the bureau said, adding that the nation's overall poverty rate rose from 13.2 percent to 14 percent over the period.

The thresholds for 1981 measures of poverty were set at $9,287 for a family of four, $7,250 for a household of three, and $5,917 and $4,620 for households of two and one, respectively.

These thresholds are used for statistical purposes, the Census Bureau said, and the government uses similar poverty measures for determining eligibility for a variety of aid programs.

MEDIAN FAMILY money income was $22,388 in 1981, up 6.5 percent in dollars over 1980, but after adjustment for the 10.4-percent jump in consumer prices, buying power actually declined 3.5 percent.

This was the second successive year that family income lost the battle to inflation, the study said. Purchasing power dived an overall 5.5 percent in 1980.

Black Americans were hurt worst, the data showed. In 1981, there were 21.6 million whites and 9.2 million blacks below the poverty line compared to 20 million whites and 8.6 million blacks the previous year.

BUT THE 34.2 percent of black people below poverty in 1981 was three times the percentage of whites in poverty, even though black Americans account for only about 12 percent of the total population.

In the 1980-81 period studied, poverty among whites increased 0.7 percent compared to a 1.8-percent increase among blacks.

The number of Hispanic Americans below the official poverty line, some 3.7 million in 1981, was virtually the same as in 1980.

Black families also fared worse in lost purchasing power compared to white or Hispanic households, the study showed.

Money income for black families was $13,267 in 1981. For whites, the median was $23,517, and for Hispanics the median family income was $16,402. After adjusting for inflation, this amounted to a drop of 5.2 percent for black families from 1980, compared to a decrease of 2.7 percent in purchasing power for white families. There was no significant statistical difference in real incomes of Hispanic families over the year.

ABOUT HALF of all families below the poverty line in 1981 were maintained by women with no husband present. For those families, purchasing power sank some 4.6 percent.

The data also noted that the number of elderly people in poverty, about 3.9 million or 15.3 percent of the 65 and older population, remained almost unchanged over the year.

The bureau suggested that this could be because most elderly people are already out of the workforce and are not as adversely effected by rising unemployment and because "the most important government programs benefiting the elderly, including social security and Supplemental Security Income, are indexed to reflect changes in price level."

National Industrial Policy Pressed to Reverse Slump

America needs a coherent policy to reverse the ominous economic trends of the 1970s and 1980s, the AFL-CIO told Congress.

The federation has proposed a tripartite National Reindustrialization Board with representatives from government, business and labor. It would oversee job-creating loans to private businesses as well as to state and local governments.

"AMERICA NEEDS policies, including an industrial policy, that meet the nation's needs for expanded, non-inflationary production and employment with fairness and equity," Henry Schechter told a House banking subcommittee.

Schechter, director of the office of housing and monetary policy for the AFL-CIO, said the need for a national policy is made more urgent by "growing evidence of retrenchment in investment for both private and public capital."

"This country is still the greatest economic productive power on earth, although our lead is decreasing," Schechter said. A common thread that runs through the economies of countries that are gaining on us, he noted "is their adoption of a coordinated industrial policy that systematically includes the views of labor, industry, and the public. By contrast, we have too long been at the mercy of a series of economic schools, each of which believes that it alone can see the unseen hand."

Citing unemployment figures that grew from an average of 4.8 percent in the 1960s to 6.2 percent in the 1970s and to 9.8 percent today, Schechter traced a boom-and-bust cycle that has recently brought too many downturns.

THE 1970s brought "an economy experiencing extended periods of high unemployment, massive layoffs, plant closings, increased inflation, a worsening balance of payments and a dwindling U.S. share of both domestic and international markets for manufactured goods," he said.

"In order to get out of the current economic impasse and restructure the economy to a path of increased productivity and growth," a needed first step is adoption of an industrial policy, he said.

Emergency Job Funds Approved by House

(Continued from Page 1)

not turn its back on the unemployed," Kennedy said.

In his letter to congressmen, Denison noted that the bill meets all the necessary criteria of helping both urban and rural communities in labor-intensive activities that can be put in effect quickly and targeted to "areas and individuals experiencing the greatest hardship."

Health Agency Scored on Bid To Drop Notice of Changes

The AFL-CIO has called on the Reagan Administration to drop plans floated by the Health & Human Services Dept. that would let the agency make significant changes in health and social security programs without any prior public notice or comment.

AFL-CIO Social Security Director Bert Seidman, in a letter to HHS Sec. Richard S. Schweiker, said the federation "strongly objects" to the agency's proposal to widen its authority to exempt itself from legal requirements to give notice and gather public comment on changes the agency plans to make in the programs it administers.

SUCH A change would "greatly increase the possibility of arbitrary administrative decision-making by decreasing public input on controversial . . . far-reaching regulations," Seidman said.

Under the Administrative Procedures Act, proposed rule or regulation changes by federal agencies are exempted from notice and comment requirements under a narrow set of circumstances. Schweiker's proposal, Seidman said, would substantially widen the door because the agency wants to grant itself the exemption any time it determines that taking the time to get comments "would impair the attainment of program objectives or have other disadvantages that outweigh the benefits of receiving public comment."

This broad language, if applied, could be used by the Reagan Administration to avoid making public and seeking comment on rules changes for such programs as Medicare, social security, supplemental security income, disability insurance, hospital cost containment, or any other HHS program, and it would set a precedent for the same action by other agencies, the AFL-CIO said.

SEIDMAN URGED Schweiker to drop the proposed guidelines "which limit notice and public comment and thereby deprive the AFL-CIO and other concerned individuals and groups from expressing their views on important public policies and programs."

Already HHS has received more than 1,100 comments on the proposed change—all expressing opposition.

Study Offers Alternatives to Achieve Jobs Goal

A group of prominent economists headed by former Labor Sec. Ray Marshall blasted the Reagan Administration's economic program as both inefficient and regressive and proposed alternative policies based on full employment as the "preeminent goal."

There is "mounting evidence of the bankruptcy of Reaganomics," the group said in a study jointly published by the Full Employment Action Council and the National Policy Exchange.

IN A PREFACE by Council Co-chairs Murray H. Finley and Coretta Scott King, Reaganomics was characterized as a complete failure:

"Jobs, jobs, jobs. That's what President Reagan promised would result from his economic program of budget and tax cuts. Instead, the Administration's policies have produced the highest unemployment since the Great Depression as well as record high interest rates, record numbers of business failures and falling business investment.

"It is time for a full employment alternative . . . a meaningful job for every person able to work and maximum use of our material resources. That goal, which is embodied in the Humphrey-Hawkins law, is the cornerstone of a balanced economy and a just society."

The Full Employment Action Council is a coalition of religious, civil rights and labor groups. The National Policy Exchange is an economic research and educational organization headed by Marshall, now a professor at the Univeristy of Texas.

Among the economists endorsing the joint study are Robert Lekachman of the City University of New York, Sar Levitan of George Washington University's Center for Social Policy Studies, Charles Killingsworth of Michigan State University, Lester Thurow of Massachusetts Institute of Technology, Robert Eisner of Northwestern University, Richard Musgrave of Harvard University, Gar Alperovitz of the National Center for Economic Alternatives, and Leon Keyserling, who was chairman of the Council of Economic Advisers in the Truman Administration.

Labor economists backing the study are AFL-CIO Research Director Rudy A. Oswald, Brian Turner of the AFL-CIO Industrial Union Dept., Leslie Nulty of the Machinists, and James Smith of the Steelworkers. Some of the economists who endorsed the general thrust of the study did not agree with all of its specific recommendations.

"IT'S NO secret that supply-side economics is dead," said Howard D. Samuel, secretary-treasurer of the Full Employment Action Council and president of the AFL-CIO Industrial Union Dept. "Even Wall Street recognizes that the supply-side approach is bankrupt."

The study charged that the bottom line of all the supply-side thinking is to shift income, government services and regulatory protections away from middle- and lower-income families toward higher income groups.

"The 'monetarism' approach of tight money and high interest rates," it said, "is directly responsible for the severe recession in interest-sensitive sectors such as small businesses, autos, and construction."

The alternative to Reaganomics proposed by Marshall and his colleagues includes a comprehensive set of measures aimed at controlling inflation and increasing productivity, thereby allowing the economy to move successfully toward full employment.

TO COORDINATE the new alternative economic strategy, they propose the creation of a national economic policy board and an industrial development bank to channel investment funds.

The national economic policy board, which would include representatives of labor, business and government along with independent experts, would be the primary vehicle for framing a national industrial policy.

Separate committees working under the board's auspices would seek to develop solutions for specific industry and regional problems.

The proposed industrial development bank would channel investment, with funding "largely by private resources with special consideration given to using pooled pension fund money."

A WORKABLE alternative to Reaganomics must be fully comprehensive and internally coordinated, "not just a string of band-aids and not a collection of contradictions such as massive tax cuts to spur investment and high interest rates that choke off investment," the study observed.

The Marshall group called for a close coordination of monetary and fiscal policy with a commitment to keep interest rates down to encourage investment, and spending programs for employment, training and rebuilding of the public infrastructure such as roads, railroads, bridges, ports and water systems.

The primary goal of monetary policy, the report said, should be interest rates that are stable and just a little above the rate of inflation.

In fiscal policy, the group called for a mix of spending for jobs and training, public works, and sharing programs whenever the unemployment rate rises above 6 percent.

"THE PROSPECT of 10 percent unemployment and the current disaster in the construction, auto, and other interest-sensitive industries painfully show the need to implement a more responsive and stimulative fiscal policy," the study said.

In fighting inflation, a targeted sectoral program designed to increase supply, reduce costs, and improve efficiency in inflation-leading sectors such as energy, housing, food, and health care should be given top priority, the group said.

But the key to a healthy overall economy, the group repeated time and again, is full employment. A full employment society is the most efficient route toward increased productivity and reduced inflation, it stressed.

"The proposed combination of coordinated general economic policies, targeted anti-inflation policies, consensus-building mechanisms, industrial policy, and active employment, education and training policies represents the most direct path to a full employment society," the study concluded. "It is a path that this country must take."

LABOR HISTORY and art combine in a lithographic print given to the National Museum of American Art of the Smithsonian Institution by the Metropolitan Washington AFL-CIO. The work, by top American artist Robert Rauschenberg, was commissioned by the AFL-CIO to commemorate the federation's centennial in 1981. From left, Dwight Bowman, president of Government Employees Local 2463, which represents Smithsonian employees; Paul Greenberg, president of International Brotherhood of Electrical Workers Local 26; Council President Josh Williams; the museum's director, Charles C. Eldredge; Janet Flint, print curator, and Martina Norelli, associate print curator.

Unions View Reaganomics As Election Issue in Virginia

Roanoke, Va.—Depression level unemployment, record-high interest rates and other tragedies of Reaganomics were the central focus of the Virginia AFL-CIO's 22nd convention.

The retirement of ultra-conservative Sen. Harry F. Byrd, Jr., last year's Democratic sweep of top state government offices, and the dogged support of most of Virginia's House delegation for the Reagan Administration's policies have raised hopes for a shift toward a more progressive congressional delegation in the November elections.

KEYNOTING the three-day session, President Julian F. Carper said "the decade from Watergate to Reaganomics has cast an ever-darkening shadow over the nation's factories, farms and job-sites, shattering the dreams and expectations" of workers, farmers and businesses alike.

Carper urged the delegates to redouble Virginia labor's 1981 political effort that was the edge in electing the first Democratic governor in 16 years. The convention responded with a cheering, unanimous endorsement of Lt. Gov. Richard J. Davis (D) for the Senate seat Byrd is leaving, and for Democratic nominees challenging hard-core pro-Reagan incumbents in eight of the state's 10 congressional districts.

MAJOR CONVENTION speakers included National COPE Director John Perkins; State Labor Commissioner Azie Taylor Morton; AFL-CIO Region III Director Walter Waddy; Daniel Mundy, legislative director of the AFL-CIO Building & Construction Trades Dept.; Frank Emig, assistant director of the AFL-CIO Dept. of Organization & Field Services; former national COPE Director Al Barkan, and Paul Ornburn of the AFL-CIO Union Label & Service Trades Dept.

Carper won election to a new two-year term, as did Sec.-Treas. David L. Laws and Vice President Leander Lewis, both of whom were serving interim appointments. The delegates also elected a 30-member executive board.

Washington State Delegates Press Jobs, Justice, Agenda

Spokane, Wash.—Delegates to the Washington State AFL-CIO convention adopted a "jobs and justice" agenda, coupled with plans for a major trade union effort this fall to elect legislators committed to labor's goals.

Convention delegates took part in the 14-state teleconference held during the congressional recess to mobilize a grassroots campaign against a federal constitutional amendment to compel a balanced budget. But the issue was not a new one. The state's labor movement had been instrumental earlier this year in blocking a resolution in the legislature that would have added Washington to the list of states petitioning for a constitutional convention to act on the amendment.

RESOLUTIONS adopted included a call for tax reform—to raise revenue more equitably in a state whose resources have been depleted by massive unemployment and plant closings.

The labor proposal calls for shifting the tax burden from the state property tax and regressive sales taxes to a progressive state income tax, which Washington does not have. Enactment of an income tax would be coupled with a ceiling on property tax increases, a reduction in sales taxes and elimination of the sales tax on food.

Another goal is approval by the voters of an initiative that would roll back consumer credit rates in the states. Labor got the initiative on the ballot by collecting 180,000 signatures—50,000 more than needed.

THE MEASURE would reduce the maximum interest rate for all forms of retail credit to 12 percent or one percent above the federal discount rate, whichever is higher.

The convention marked the 25th anniversary of the state labor federation established by the merger of the former AFL and CIO central bodies, and State AFL-CIO President Marvin L. Williams stressed a unity and solidarity theme in his keynote address.

"We must guard against single-issue politics," he urged, stressing that labor's strength "lies in our solidarity."

In addresses by other speakers:

- AFL-CIO Organization & Field Services Director Alan Kistler ripped the Reagan Administration's record of economic failures.
- Sec.-Treas. Judith Heh of the Pennsylvania State AFL-CIO stressed the importance of labor's involvement in every level of political activity.
- Boston College Prof. Barry Bluestone spoke of plant closure decisions and the impact of government policies on a corporation's decision to relocate in other countries.

The convention approved a five-cent increase in the per capita payment, from 45 to 50 cents, and delegates participated in four workshops held during the convention. Topics covered were taxation, mass transit, plant closings and health concerns in operating video display terminals.

Asbestos Union Maps Expanded Organizing Effort

Las Vegas, Nev.—Delegates to the 24th convention of the Asbestos Workers reelected President Andrew T. Haas and Sec.-Treas. William G. Bernard and mapped a program of expanded organizing efforts.

Haas and Bernard were unopposed for re-election. One at-large and eight conference international vice presidents also were elected to five-year terms.

The 386 delegates to the convention also approved a new per capita tax structure to help finance organizing campaigns by the Asbestos Workers and the Building & Construction Trades Dept.

The organizing per capita tax of one cent per hour worked will go into effect next Jan. 1, and will increase annually one cent an hour until it reaches five cents an hour.

The delegates also gave enthusiastic endorsement to a decision by Haas to add three new general organizers to the Asbestos Workers' staff and to initiate an instructor training program at Ohio State University beginning this fall.

The View from Earth

NEARLY 11 MILLION American workers are unemployed, enough to form an unbroken line stretching 4,000 miles—from Los Angeles to New York and almost back to the Mississippi.

This is not what President Reagan promised us when he campaigned two years ago.

When he debated President Carter, he told the American people: "I don't believe the alternative to inflation is recession."

His Republican platform said: "We specifically reject the Carter doctrine that inflation can be reduced only by throwing people out of work."

A year later, when unemployment surged to 8.4 percent, the White House press secretary said: "This is the price you have to pay for bringing down inflation."

WHY DIDN'T Mr. Reagan tell us about this "price" during his campaign?

Instead he preached the virtues of "supply-side" economics. He promised that huge tax cuts for corporations and the wealthy would produce new investment in plant and equipment, new jobs, and a resurgence of economic growth.

Well, the corporations got their tax breaks, and last week the Commerce Dept. reported that business investment in plant and equipment will drop 4.4 percent this year—the first such decline since 1975.

What went wrong?

According to the Secretary of Commerce, "The business tax cuts were too large and so, rather than stimulating capital spending, they depressed it."

He went on to predict an investment upturn with "faster growth in consumer spending."

Are we to understand that the Administration is flip-flopping from "supply-side" economics to "demand-side" economics?

I WOULD LIKE to think that the Secretary has been reading the AFL-CIO's alternative economic program. Or perhaps he is on his way to the famous woodshed where David Stockman was spanked for publicly admitting the bankruptcy of the Administration's supply-side theories.

But if the President has any doubts about his program, he is keeping them to himself as he hits the campaign trail pleading for patience and promising pie in the sky in the sweet bye and bye.

Campaigning in Kansas last week, the President said, "Yes, recovery has been sighted."

I don't know what telescope he is using, or in what direction it is pointed, but here on Planet Earth, we see something different.

—AFL-CIO President Lane Kirkland to the International Brotherhood of Electrical Workers Convention, Sept. 14, 1982.

AFL-CIO NEWS

Official Weekly Publication of the American Federation of Labor and Congress of Industrial Organizations

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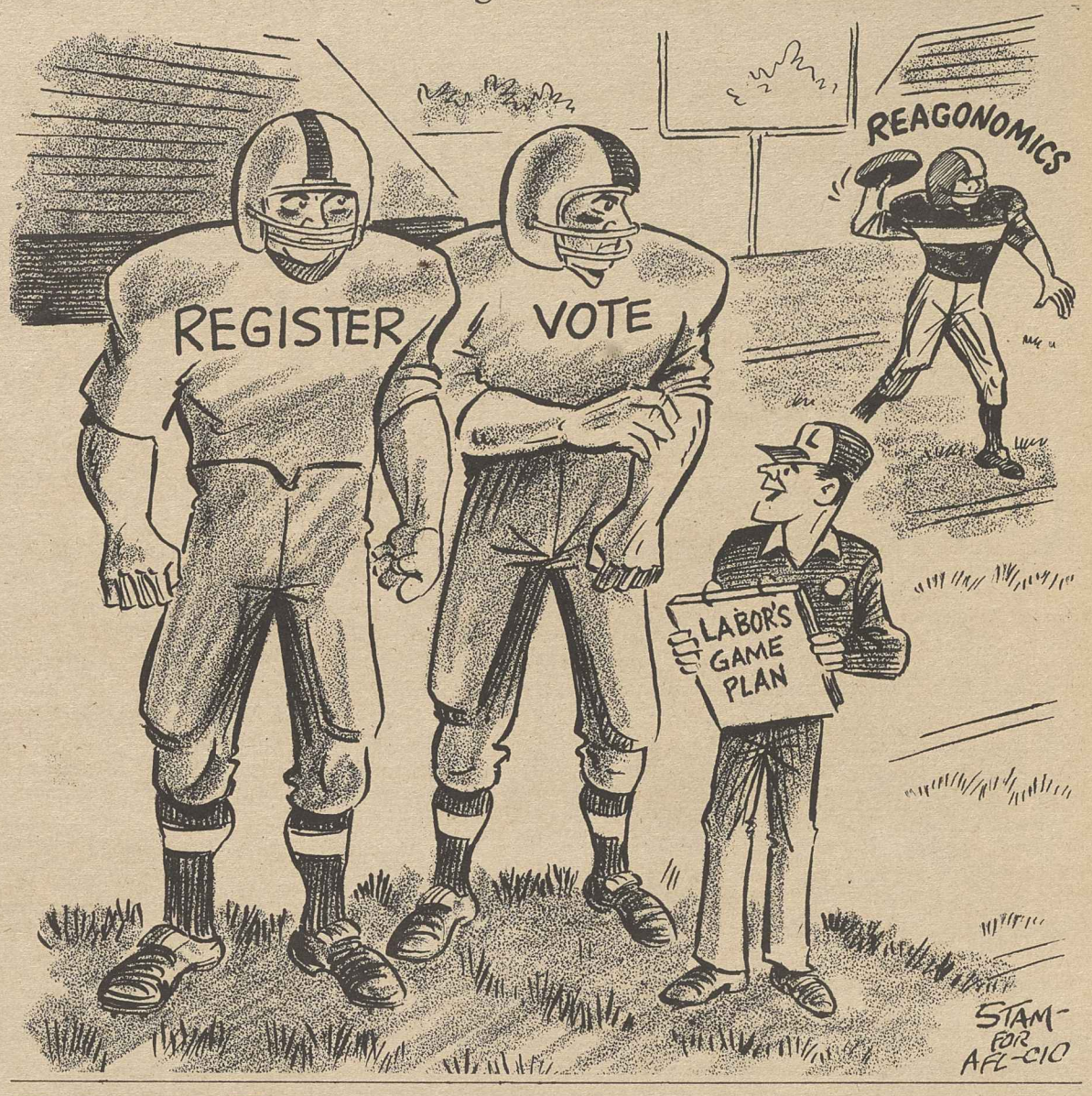
'We're Counting on You to Sack Him!'



Washington Window

White House Shifts Underscore Bankruptcy of Reagan Policies

By Press Associates, Inc.

TWO RECENT developments—enactment of the $98.3 billion tax bill and the Federal Reserve Board's sudden relaxation of its tight money policy—underscore the bankruptcy of Reaganomics.

These moves represent dramatic reversals of the Reagan Administration's "supply-side" tax cut policy and the tight money tactics it has backed. The reversals, say experts, were the trigger for the record-breaking surge in the depressed stock and bond markets in recent weeks.

Unfortunately, all this doesn't mean that the Administration, or the Federal Reserve, has mended its ways.

President Reagan, who pushed the big tax hike bill to help stem the runaway deficits fed by his huge tax cuts, still clings to his philosophy. He favors the third phase of the income tax cut scheduled for July 1, 1983, as well as the tax indexing scheme set for 1984.

AND THE FED, which eased up on its monetary reins from fear that small bank failures would trigger bigger busts and an economic calamity, still seems to be mired in the monetarist dogma which brought on record-high interest rates and recession.

Reagan has continued to blame the worst economic crisis since the Great Depression on the policies of his predecessors, and asks the people to be patient. He has challenged his critics to come up with something better.

Organized labor long has offered sensible alternatives to the disastrous course of Reaganomics. Many of these proposals are contained in a new study by 34 noted economists, including labor experts.

THE 51-PAGE report, "An Economic Strategy for the 1980s—the Failure of Reaganomics and the Full Employment Alternative," is a thoughtful and comprehensive blueprint for an economic recovery based on solid principles rather than exotic theories and wishful thinking.

Moreover, "Economic Strategy" is based on principles of equity as opposed to supply-side's "trickle-down" approach, social program cutbacks, and the use of recession to fight inflation.

Instead of such simplistic nostrums as monetarism and "across-the-board" tax cuts, the report offers a package of proposals for the nation's complex economic problems—unemployment, inflation, low productivity growth, and "now, the need for rapid recovery from a deep recession."

ITS GENERAL economic policy proposals begin with a Fed policy geared to stabilizing and reducing interest rates to "just a little above the rate of inflation." This would spur capital investment and reduce deficits by lowering the interest payments—now over $100 billion annually—on the federal debt.

Fiscal and budget policies should be much more responsive to business cycles—not more rigid as advocates of the balanced budget constitutional amendment want it, the report says. This amendment would be an "automatic destabilizer" as opposed to the study's proposed "automatic stabilizers that directly create jobs" and which would be triggered when unemployment reaches a certain level, say 6 percent. Stabilizers would include public works and job training.

These general economic policies are not enough, but should be combined with policies targeted to those sectors with special problems such as energy, housing, food and health care, says the report.

THESE FOUR sectors account for most of our inflation and, instead of relying on the mythical free market or painful and costly recessions to curb inflation, the government should take direct action.

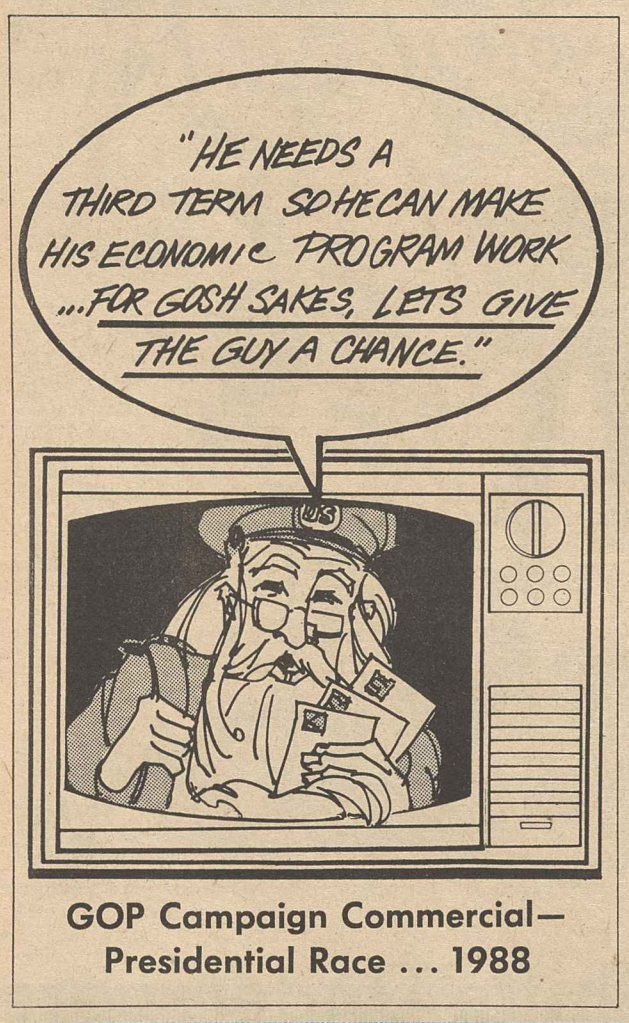
Finally, it proposes the kind of "coherent industrial policy" which has helped nations like Japan and West Germany gain competitive advantages.

A National Economic Policy Board (NEPB) composed of labor, business, government, and independent experts could coordinate a more efficient allocation of resources and deal with such problems as "inflation and the reconstruction of our aging and weakened industrial base."

THE WORK OF the board and its committees "should be augmented by an industrial development bank to channel investment into long-term economic development." Such a bank could use pension funds for productive investments.

The primary goal of this alternative economic policy is "a full-employment society," which best represents the practical unity of equity and efficiency."

MEMO FROM COPE



GOP Campaign Commercial—Presidential Race ... 1988

Exactly One Vote Does It!

Alvin Hinkle thought he'd wrapped up a six-vote 564-558 victory recently for Okfuskee County (Okla.) county commissioner.

His opponent, Ben J. Smith, figured it was close enough for a recount. Smith was right.

When the recount was completed, Smith was the winner by exactly one vote, 559-558. One vote counts!

* * *

The result in the 37th District Republican primary for the Virginia House of Delegates looks like a landslide compared to Smith's one-vote win, but it deserves comment. Stephen Gordy squeezed past incumbent John Rust 1,484-1,469, just 15 votes out of 2,953 cast.

GOP, Conservative PAC Money Tree In Full Bloom for Rightist Candidates

Republican campaign committees have—if there really is such a thing—an embarrassment of riches, and it's showing up in the reports of the party's candidates.

Through June, the Federal Election Commission reports, the three major party committees—the National GOP and its House and Senate campaign committees—had hauled in $146 million to the $19 million their Democratic counterpart committees attracted. That's a 7-1 bulge, plus some extra.

The GOP National Committee collected $66 million, its House and Senate campaign committees $45 million and $35 million respectively. For the Democrats, the DNC, House and Senate committees got $11 million, $4 million and $4 million respectively. In hard cash, it's no contest.

Put together with enormous sums flowing into corporate, trade and right-wing PACs, most of which are then funnelled to Republican candidates, these GOP funds provide comforting support for the party's candidates.

For example, through June, Sen. Orrin Hatch (R-Utah) had collected $1,368,500 for his re-election drive, $495,000 of this from PACs—Big Oil, other corporations, trade and right wing—and of course a good piece of change from the GOP.

The ratio of money to voters will be staggering by the time November rolls around, and Hatch's receipts will have ballooned. In 1980, only 580,000 persons voted in Utah in the presidential race. That number will diminish sharply, as it always does in non-presidential years. Hatch will likely wind up able to spend more than $5 per voter.

Ultra-conservative Sen. Harrison Schmitt already had $814,000 for his re-election campaign in New Mexico, where only 440,000 voters turned out in 1980. PACs provided $245,000 of it.

And in Wyoming, through June 30, Sen. Malcolm Wallop had collected $627,500. Of this $286,000 was PAC money. In 1980, only 172,000 citizens voted in the state.

In each of these three cases, Big Oil and other energy industry money has been plentiful, as has funding from corporations, trade groups and the right wing political committees.

Similarly, Rep. Paul Trible (R), running for the Senate in Virginia—who accused his opponent of taking "big labor boss' money—has been the beneficiary of healthy sums from corporate, trade and right-wing PACs—$4,800 from the medical association, $5,000 from the Auto Dealers, $3,000 from Amoco, and goodly sums from a batch of other PACs with a conservative bent.

Odds 'n Ends

NOW THEY'RE REALLY MAD at the President, "new right" leaders and supporters let it be known. Richard Viguerie's *Conservative Digest* just released results of its poll of readers, in which 75 percent oppose the notion of a second term for President Reagan if "a solid conservative" goes against him for the GOP nomination in 1984. More than 88 percent of rightist respondents complained Reagan had not delivered on his promises to them.

BEST LAID PLANS of Reagan Administration have gone astray. News comes that the dragging economy and continued high interest rates combine to keep businesses cutting plans they once had for expanding and modernizing. Continued reductions in planned business investment pour cold water on hopes for any early economic recovery and threaten recovery over the long term. This isn't the way Reagan and his deep economic thinkers planned it at all. They promised swift and strong recovery through huge increases in capital investment as a result of their "supply side" tax cuts of 1981. The latest report on capital spending shows a decline of 4.4 percent this year from 1981, the first real decline since the last GOP recession in 1975.

MORAL MAJORITY leader Rev. Jerry Falwell announces effort to register a million new voters in time for November 2 elections. MM claims three million members now in computer files, among them 82,000 clergy. MM says that in 1980, its first effort at campaigning, it registered 3-4 million voters. No question it had considerable impact two years ago, in league with "new right" PACs that did such heavy damage to pro-worker, pro-union Senators and gave huge boost to Reagan candidacy.

Good Summer for 'Administration With a Heart'

The Administration With a Heart has been at its best throughout the summer.

As the headline and partial story at right shows, the Administration With a Heart has decided it would be a kindly gesture to thousands of disabled persons to make them absolutely self-sufficient by taking away social security disability payments.

Shortly before that, the Administration With a Heart (hereafter AWH) had vetoed a money bill. One of its key complaints was that the measure provided $211 million for a community services program that employs 54,000 needy elderly Americans. In other words, they work for what they get (AWH believes in work, as its move to get disabled people to go out and work by depriving them of benefits demonstrates).

Too much social spending, AWH groused. That $211 million is budget-busting, it griped (AWH's budget is already $150 billion-plus in the red).

When Congress balked and a bitter fight to override the Reagan veto boiled up, AWH then held these 54,000 needy elderly hostage. Don't override the veto, it said, and we'll put the funding back in for the elderly. That's heart. The veto was overridden and the program retained, anyway.

An absolutely unnoticed bit of history back on July 29 showed AWH at its most gracious and most generous. As background to this, keep in mind that AWH grudgingly approved in the recent tax increase that Congress passed inclusion of fresh unemployment benefits funding for long-term jobless. It has since used this as evidence that it really cares.

On July 29, however, it didn't seem to care all that much. The Senate Finance Committee held a hearing on extended jobless benefits, to add 13 weeks to the 39 weeks now available to the unemployed in states with exceptionally high rates of idled workers.

AWH sent Assistant Labor Secretary John Cogan to represent its views. Cogan testified in so many words that the AWH was absolutely opposed to extended benefits, and the decision to oppose was made by the highest officials in the Administration, including the President himself.

Speaking for AWH, Cogan said: "We believe that 39 weeks of unemployment insurance is the maximum that should be provided. . . . We oppose the extension of benefits, because extending benefits is inequitable, ill-timed and costly. This determination was made by (a Cabinet group) and the President also agreed. . . ."

This question was put to Cogan: "So, the Administration has no proposal at all in terms of what we do with people who have run through 39 weeks other than for them to sit at home and wait for an economic recovery . . . or eventually deplete all their resources, sell their homes and so on, until they qualify for welfare assistance? What is the alternative that you are proposing?

► **Cogan:** "None, sir."

He was then asked: "Do you think we need some kind of adjustment program for dealing (with workers in) industries that are in transition?"

► **Cogan:** "Yes, sir . . . the Administration fully supports retraining for workers in our basic manufacturing industries."

► **Question:** "Now, we have nine million (the figure cited; actually the number at the time was nearly 11 million) people out of work.

"How much are we spending on worker retraining right now?"

► **Cogan:** "We have allocated about $25 million. . . ."

Response: "If I divide nine million workers into $25 million, I get $3 a worker. That's a little low, I think, for a really good retraining program. Three dollars will get you downtown and back if you live in a federally-subsidized mass transit area."

Despite all that went before, Cogan, later in his testimony, asserted: *"The Administration is very concerned about long-term unemployment. . . ."*

And so went the summer for AWH. What do you suppose autumn holds in store?

Eligible Recipients Losing Out

U.S. Gets Tough With Disabled

By Margaret Engel
Washington Post Staff Writer

In 1973, after lupus, an incurable crippling disease, forced her to stop working as a nurse's attendant, Mary Williams of Capitol Heights began receiving $366 a month in disability payments from Social Security.

Last year, under a speeded-up review of disability recipients ordered by the Reagan administration, the payments to Williams were stopped, and she was told to get a job, despite the fact that three government doctors had said she was totally disabled.

In August, after Williams had struggled for a year to pay the $203 rent on the apartment she shares with her teen-age sons, an administrative law judge ruled that she was eligible for the payments after all.

Her experience was not unusual. Since federal officials tightened eligibility standards and began closer scrutiny of the $18 billion disability program in March 1981, 157,980 people nationwide have been dropped from the Social Security rolls.

Aimed at weeding out the undeserving, the new procedures have in many cases imposed an unnecessary burden on thousands of disabled people who do in fact meet the government's strict standards. According to figures compiled by the Sen-

See DISABLED, A8, Col. 5

AFL-CIO News

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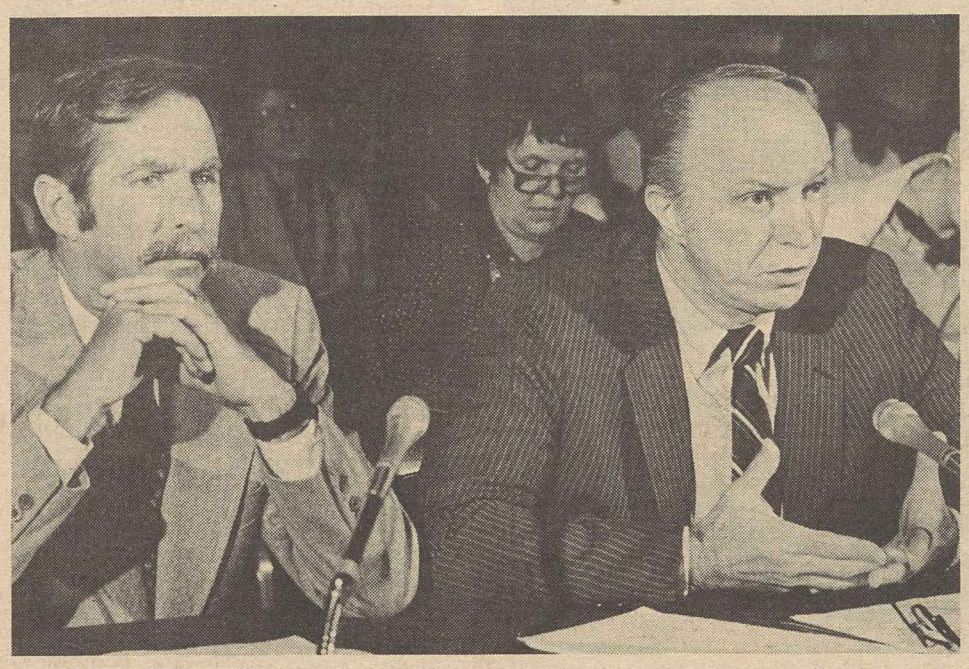
LEGISLATIVE ALERT!
PAGE 8

Auto Jobs Bill Pushed in House



WOMEN WORKERS can best achieve pay equity through union collective bargaining, AFL-CIO Sec.-Treas. Thomas R. Donahue told a House subcommittee. He was joined in the testimony by federation economist John Zalusky.

Labor Asks Quick Action On Domestic Content Law

Organized labor pressed Congress to speed action on a bill to save American jobs in the auto and related industries before the lawmakers adjourn for the election campaign.

The domestic content legislation would require auto makers who sell large quantities of cars in the United States to produce a gradually increasing share in this country.

AUTO WORKERS President Douglas A. Fraser told a congressional panel the content bill would result in more than 700,000 jobs created or saved in U.S. auto production and supplier industries. The bill is a "very effective jobs bill, not only for the auto industry, but for the economy as a whole," Fraser said.

"This nation cannot have a healthy economy without a healthy auto industry," Fraser told the House Ways & Means subcommittee on trade.

Supporting Fraser's appeal for quick action on the measure were AFL-CIO Legislative Director Ray Denison and Industrial Union Dept. President Howard D. Samuel. They noted that the United States remains the most open auto market in the world. While Japan-based auto firms have a $13-billion market here, over 97 percent of Japanese cars sold in the United States are made in Japan. Honda already builds some cars here.

A CONTENT law would simply require some of those cars to be made here with American parts, which would put thousands of Americans back to work, they observed.

Fraser told the panel the U.S. auto industry is in its worst shape since the Great Depression, with employment plummeting 28 percent since 1978. More shipments of Japanese cars will exacerbate the slump, he said.

Scores of witnesses were scheduled to appear before the trade subcommittee, clouding the bill's outlook for passage this session. The measure has 225 sponsors in the House, and a companion bill sponsored by Sen. Wendell H. Ford (D-Ky.) and 18 others is working its way through the Senate.

The bill cleared a major legislative hurdle Sept. 15, when it passed the House Energy & Commerce Committee with a large bipartisan vote, 25 to 16. Eight Republicans voted with the majority. The Administration adamantly opposes the bill, calling it a protectionist measure. If it clears the Ways & Means Committee, House Speaker Thomas P. O'Neill Jr. (D-Mass.) has said he would expedite floor action.

INTRODUCED by Rep. Richard L. Ottinger (D-N.Y.), the bill would require both domestic and foreign auto makers to

(Continued on Page 4)

Bargaining Cited as Key To Achieving Pay Equity

By Susan Dunlop

Collective bargaining is the key ingredient in a strategy to achieve pay equity for women workers, AFL-CIO Sec.-Treas. Thomas R. Donahue asserted at a House hearing on the issue.

"Collective bargaining offers the prime method for achieving pay equity, and that belief is based upon experience," Donahue said at joint hearings on pay equity and comparable worth held by three subcommittees of the House Post Office & Civil Service Committee.

"BARGAINING FOR wage rates is, after all, something that we have been doing for decades," he pointed out, stressing that the AFL-CIO at its 1979 and 1981 conventions adopted strong resolutions endorsing the concept of equal pay for work of comparable value and urging affiliates to seek pay equity in negotiations and "by all other appropriate means."

Those means, Donahue said, should include legal action "as part of an integrated strategy" that also includes using administrative channels to remedy inequities.

"Comparable worth" is one of the "bedrock" principles of the labor movement, he said, because seeing to it that people in similar jobs are treated fairly is "what we are all about."

There is strong evidence that employers have for years paid women less for their work than men got for essentially the same jobs, he asserted, noting that "too often the determining factor for wage rates" has been whether men or women were likely to do the work. Women workers still earn an average of only 60 percent of what men make, he pointed out.

The labor movement believes there is no justification for paying a worker less for a job than any other worker because of "sex, age, race, religion or national origin," Donahue stressed.

He said the bias employers build into wage-making can best be removed by combining the knowledge and experience of a bargaining unit's members "with the power

(Continued on Page 3)

Leaflet Day Set Oct. 19 to Build Election Turnout

AFL-CIO President Lane Kirkland has announced a nationwide effort by the federation to increase voter turnout among trade unionists with a leaflet day at job sites to be conducted on Oct. 19, 1982.

Organized labor is concerned about low turnouts for the Nov. 2, 1982, elections. Voter turnout was only 36 percent of potential voters in the non-presidential years of 1974 and 1978 and only 54.4 percent in 1980.

THE OCT. 19 effort will enlist the services of AFL-CIO vice presidents, other international union presidents and a wide variety of union officers.

"We intend to do all we can to assure that the rightful interests and concerns of working people will be reflected in the outcome of these elections," Kirkland said. "Our opponents will outspend us many, many times. This election is going to be one of those historic contests between money and plain people."

Kirkland's announcement came on the first anniversary of Solidarity Day, Sept. 19, 1981, when 400,000 trade unionists and their allies opposed Reaganomics with the biggest political protest march ever

(Continued on Page 3)

David Dubinsky Dies at 90, Built ILG into Strong Union

New York—David Dubinsky, an immigrant from Poland who devoted most of his life to building the Ladies' Garment Workers Union and strengthening the American labor movement, died Sept. 17 after a long illness. He was 90 years old.

Dubinsky was president of the ILGWU for 34 years before his reirement in 1966. He took over the reins of the nearly bankrupt union at the depth of the Depression in 1932 and fashioned it into an effective 450,000-member organization. Dubinsky also served as a vice president of the AFL-CIO for 14 years.

IN A MESSAGE to the ILGWU, Federation President Lane Kirkland said that Dubinsky helped write a vital chapter in the history of American trade unionism.

"We have lost a leader of national stature in all of the social and economic struggles of his time," Kirkland said. "He will live on most truly in the character of the union he loved and served so well. In the hearts of ILGWU members and in the hearts of those who had the luck to know and work with him—as I did—he will never die."

Dubinsky's devotion to the labor movement developed early in his life. As a master baker at age 15 in Lodz, Poland, he joined the bakers union. Within a year he was made assistant secretary of the union largely because of his ability to read and write Yiddish, Polish and Russian.

BEFORE HE was 17, Dubinsky was arrested twice for union activities by the czar's police in Russian-occupied Poland—once for leading striking bakers against his father's bakery—and marked for exile to Siberia.

Before escaping through the assistance of his father, Dubinsky was moved from prison to prison for 18 months.

"In an important way it was the richest part of my education," Dubinsky wrote in his autobiography, "for some of the czar's jails were kind of a labor college

(Continued on Page 2)

DAVID DUBINSKY

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9/25/82

LABOR DAY CROWDS turned out in force at parades and rallies in many cities to celebrate the labor movement's achievements and to protest the way the Reagan Administration and its supporters have mishandled the economy, slashed the federal budget and attacked many protections vital to workers. In Detroit, above, some 10,000 marchers joined the Labor Day parade, more than double last year's attendance. At a rally in Kennedy Square, Detroit AFL-CIO President Thomas Turner said the labor movement was determined to make Election Day "Solidarity Day II" with a "march to the polls" to elect candidates who support labor's goals. The Wyoming AFL-CIO organized its own "Solidarity Day" for the holiday, drawing 3,000 people to Cheyenne from around the state, the largest number ever to attend a labor rally there. A march to the state capitol grounds was followed by a family picnic in a nearby park.

'Means Test' Scheme For Medicare Hit

The AFL-CIO sharply criticized a proposal floated by the Reagan Administration to make some senior citizens pay for a larger share of Medicare benefits or lose the coverage altogether.

Karen Ignagni, an assistant director of the federation's Dept. of Social Security, said the idea, although not yet formally proposed, would penalize many older people and force them "to play 'Russian roulette' with their health while doing nothing to curtail soaring doctor fees and hospital charges."

The scheme, still under discussion within the Administration, would impose a "means test" for eligibility for Medicare under which older people above certain income levels would pay a much larger share of health care costs.

Another plan under consideration would deny any Medicare protection to those with incomes above a certain level. At least one Administration official has pointed out that because of the generally low level of income among senior citizens, the cut-off might have to be low as well to realize any savings if some kind of catastrophic illness coverage were offered in Medicare's place.

Ignagni emphasized that Medicare beneficiaries have paid for their health insurance through their social security taxes.

But while senior citizens would be ill-used by a means test, "the real villains in our medical care system are ignored," she said.

The means test scheme also was scored by the labor-supported Save Our Security Coalition chaired by former Health, Education & Welfare Sec. Wilbur J. Cohen. Arthur Flemming, who held the same post in the Eisenhower Administration, heads the SOS advisory committee.

In a joint statement, both experts said any reliance on an income test would destroy public confidence in the system, create a larger bureaucracy and more paper work and institute "a welfare-type system to replace one in which benefits are made available as a matter of right."

"Workers and their families build their entitlement on the basis of work and contributions, and there is no justification for tampering with this successful formula," they stressed. The SOS statement was made public in support of a "sense of the Senate resolution" introduced by Sen. Daniel P. Moynihan (D-N.Y.) opposing the means test concept.

David Dubinsky Dies at 90, ILG's Leader for 34 Years

(Continued from Page 1)

where I could learn socialist principles and practice from men of great brilliance."

After fleeing Poland, Dubinsky came to the United States in 1911. Shortly after his arrival, he started to learn the cutter's trade in New York's women's apparel industry and joined Local 10 of the fledgling ILGWU.

DUBINSKY moved up quickly through the local's ranks to become chairman in 1920. He was elected an ILGWU vice president in 1922 and secretary-treasurer of the union in 1929. He later served as acting president of the union and was elected to the presidency in 1932. He held that post until he resigned in 1966 at the age of 74, but continued to serve on the AFL-CIO Executive Council for another three years.

Under Dubinsky's guidance, the ILGWU made a number of collective bargaining advances, including the first industry agreement for a 35-hour workweek in 1933, an employer-paid fund for workers' vacations in 1937, health and welfare funds in 1938, retirement funds in 1943 and severance pay in 1950.

Dubinsky fought as vigorously to wipe out corruption in the apparel industry and communist influence in the needle trades as he did to eliminate sweatshops.

HE ALSO served on the executive council of the AFL during the 1930s and '40s. In the interim, he worked with John L. Lewis to help found the CIO. He later was involved in the formation of the International Confederation of Free Trade Unions.

In his political activities, Dubinsky in 1936 helped found the American Labor Party—forerunner of New York State's Liberal Party—and played a role in presidential politics and the Democratic Party dating back to the Roosevelt Administration.

Political action was a cornerstone of Dubinsky's trade union philosophy. He believed strongly that labor must concentrate on the drive for social progress just as intently as it does on negotiating improvements in workers' pay envelopes through collective bargaining.

Dubinsky served on many government boards and commissions. Among the numerous awards and citations he received was the Medal of Freedom, the nation's highest civilian honor. He also was awarded Britain's Medal of Service by King George VI as well as the Order of Merit of the Italian Republic.

THE CITATION on the Medal of Freedom presented by President Johnson read: "David Dubinsky is a national leader of foresight and compassion. He has advanced the cause of the workingman in America and the broader cause of social justice in the world with unfailing skill and uncommon distinction."

In the last paragraph of his autobiography, Dubinsky wrote:

"The challenges change. So do the tools needed to meet them. But one thing cannot change: the conception of trade unionism as morally clean in a way that no business is. Business is profit; the union is idealism, commitment, service. Without the faith of our members, we lose what we have built. That will not happen to our union."

Dubinsky's wife Emma died in 1974. He is survived by a daughter, Jean Appleton, wife of ILGWU Sec.-Treas. Shelley Appleton, and one granddaughter.

The ILGWU will hold a memorial service at the Fashion Institute of Technology in New York on Sept. 26.

Union-Fighting Stations Sign NABET Pact

Tulsa, Okla.—A year-long struggle with Leake TV, Inc. has ended successfully for the Broadcast Employees & Technicians in an agreement that will bring substantial back pay to fired union supporters and a first contract for employees at two company stations.

NABET International Rep. John J. Krieger said the settlement lifts a National Labor Relations Board complaint charging Leake with unfair labor practices at KTUL-TV here and KATV in Little Rock, Ark.

THE NLRB HAD charged that the company laid off 38 employees and fired, demoted or transferred eight others in July 1981 in reprisal for supporting NABET in the union's successful representation elections at the stations earlier last year.

The terms of the settlement, Krieger said, "met all of NABET's objectives." Back pay ranging from $6,500 to $15,000 will go to 28 employees, and a master agreement was reached covering KTUL-TV production, news and special events employees and KATV engineers.

The agreements provides for a 9-percent pay increase effective Aug. 1 and an additional $15 per week on May 1, 1983. Weekly minimums will range from $230 to $260 at KTUL-TV and from $300 to $380 at KATV.

THE CONTRACT also establishes jurisdiction, seniority rights, grievance and arbitration procedures, discharge protections and other rights at both stations. The contract for KTUL-TV includes an agency shop clause.

The agreement also provides for reinstatement of discharged employees who want their old jobs back.

Auto Workers' Chrysler Council Okays New Pact

Southfield, Mich.—The Auto Workers' Chrysler Council approved the union's new contract with the nation's number three auto maker, the first step in the process of ratifying the one-year pact.

After a five-hour meeting here, the council voted 262 to 248 in favor of the agreement. The voting was weighted according to the number of workers in each local unit represented in the council. Rank-and-file balloting on the settlement usually is held within a week to 10 days of the council vote.

Reached Sept. 16, the new contract restores cost-of-living adjustments given up by the workers last year, but ties pay increases to the company's future profits. The pact also continues full payment of medical benefits by the company.

In the Chrysler Council's debate on the settlement, UAW President Douglas Fraser said he was convinced that "we extracted from them the absolute limit in these negotiations"

Meanwhile, the UAW reached a tentative three-year agreement with the General Dynamics Corp., covering some 5,000 hourly workers. The union struck the St. Louis-based defense contractor Sept. 15.

Unionists, Fans Back Walkout

Striking NFL Players Pledged Solid Support

By John R. Oravec

National Football League players, rebuffed repeatedly by team owners in their efforts to gain an equitable contract settlement, went on strike with the overwhelming backing of union members and support of sports fans at large.

Resolutions endorsing the Players Association action were quickly adopted by AFL-CIO central labor councils in many cities that field NFL teams and were being drafted in others.

AMONG AFL-CIO central councils already voting expressions of support for the players in sanctioning the strike were Los Angeles, Cleveland, Baltimore, Chicago, San Diego, San Francisco and Washington.

Meanwhile, a nationwide public opinion survey by the Washington Post and ABC News showed that most fans sided with the players in their dispute with owners.

And AFL-CIO President Lane Kirkland wrote NFLPA Executive Director Ed Garvey that the federation "has repeatedly expressed its support for the players' proposals for achieving equity in their profession."

HE CITED an Executive Council statement adopted in August that said in part: "The players are the game in professional football. It is their skill and courage which attract immense audiences from which the owners derive their income. . . . The football players receive the lowest average pay in professional team sports and are subject to the monopolist powers exercised by the franchised owners."

The annual salary of the average NFL player—whose career lasts less than five years—was $83,811 last year, according to a union study. This is substantially below the average salaries in other professional sports, such as baseball's $250,000, basketball's $215,000 and hockey's $115,000.

The NFLPA executive council unanimously voted to call the strike, effective Sept. 21, three days after the owners' management council flatly rejected the union's pared-down proposal, thus breaking off negotiations.

In announcing the union council's decision, NFLPA President Gene Upshaw said the impasse "has left us no choice but to use the only weapon we have to force management to bargain with us."

The union earlier had filed unfair practice charges with the National Labor Relations Board accusing the owners of failure to bargain in good faith and designating representatives without authority to negotiate an agreement.

"NO GAMES will be played until management abandons its unlawful course, engages in collective bargaining and executes a fair and equitable agreement," Upshaw stressed.

In its initial wage package proposal, the union sought 55 percent of the owners' gross revenues to be put into a fund for players' salaries. The union's revised four-year proposal called for 50 percent of league's lucrative contract with the major television networks as well as other revenues to be placed in the salary fund.

The league's new five-year TV contract is for more than $2.1 billion and will yield each owner at least $75 million. The owners will continue to receive payments from the networks amounting to about $30 million for at least two weeks even though games are suspended because of the strike, according to league sources.

THE PLAYERS are also seeking improvements in pensions, insurance, medical coverage including the right to be treated by other than team physicians, speedier grievance procedures and an overhaul of the league's restrictive rule on free agents.

The strike has the solid support of the NFLPA members, squelching speculation that team owners would attempt to stage games with cast-offs and pick-ups.

Dick Vermeil, coach of the Philadelphia Eagles, put a further damper on the speculation when he was quoted as saying, "I have no interest at all in coaching a scab football team."

STRIKE CALL is announced by President Gene Upshaw of the National Football League Players Association and Ed Garvey, right, executive director, following a unanimous vote of the NFLPA's executive council in New York.

Donahue Stresses Bargaining As Key to Gaining Pay Equity

(Continued from Page 1)

for change that is represented . . . by the union at the bargaining table."

There is no specific legislation before the three panels, but Sen. Edward M. Kennedy (D-Mass.) told an earlier session of the oversight hearings he intends to introduce legislation in this Congress to amend the Equal Pay Act to require equal pay for jobs of comparable worth as well as for equal work.

In other testimony, State, County & Municipal Employees President Gerald W. McEntee said that his union, which represents 400,000 women "is appalled at the lack of interest, even the outright hostility, shown by members of the Reagan Administration in key policy areas affecting women workers."

HE CITED a list of the Administration's slips including attempts to downgrade some female federal workers, failure to pursue discrimination lawsuits, particularly when an employer stands to take an economic beating, and ignoring guidelines set under the Carter Administration for investigating wage bias charges.

McEntee urged Congress to exercise its power to compel federal agencies to "comply with the law and their own regulations."

He also noted the AFSCME has been active in its own right using bargaining, job evaluation, legislative action and even the 1981 strike of San Jose, Calif., city workers to win pay equity battles.

DONAHUE gave examples of other union's activism on fair pay issues, including:

- A joint study of job classifications and wages being done by the Communications Workers and the International Brotherhood of Electrical Workers with AT&T.
- Collective bargaining and litigation efforts used since the late 1960s by the Electrical, Radio & Machine Workers in negotiations with General Electric and Westinghouse.
- Use of bargaining by the Service Employees to win reclassification of occupations for Santa Clara County, Calif., employees.
- Legislation achieved by Minnesota public employee unions committing the state to the principle of equal pay for work of comparable worth and earmarking part of the state budget for the necessary adjustments.

THERE IS no single scientific method to job evaluation, one of the keys to deciding comparable worth, Donahue observed. But he stressed that the experience of unions has been "long and often bitter" when employers have used biased evaluations "not in the interest of workers," but to justify their pay practices.

Unions must be part of the process, he stressed, because "when both management and labor agree on using job evaluation, the product will be less biased and may be of real value" to both parties.

Donahue said the federal government "offers a peculiarly appropriate laboratory" for studying pay equity and comparable worth and proving what can be accomplished.

HE SAID that in the fall of 1980 the Federal Classification Task Force missed an opportunity when it did not act quickly on the recommendation of its labor members, including the AFL-CIO, that a federal wage study be made and a grievance system set up to take issues of differentials to binding arbitration.

Donahue also criticized the suggestion by the Office of Personnel Management (OPM) that over time, improved promotional opportunities for women would eliminate the problem.

"Such evasions are not the answer," Donahue said, since "the result of this simplistic suggestion would be that more female workers might wind up in occupations previously occupied by males, but undervalued, traditionally female jobs would still be undervalued."

Other labor representatives testifying included James Booe, Communications Workers executive vice president; Winn Newman, AFSCME special counsel; Ellen Wernick, director of the Center for Education & Research for the Coalition of Labor Union Women, and Karen Nussbaum, president of Service Employees District 925.

October Schedule Listed By Labor Studies Center

Four labor studies institutes will be offered at the George Meany Center in October. The subjects: effective speaking, labor law, advanced leadership skills and advanced arbitration techniques. In addition, AFL-CIO affiliates will use the campus for their own training programs during the month. The schedule:

Effective Speaking, Oct. 3-8—A workshop providing a variety of speaking experiences including selecting, preparing and delivering the message, use of visual aids, the art of listening and audience analysis.

Labor Law, Oct. 3-8—An institute to acquaint union leaders with laws governing union activities including elections, organizing, duty of fair representation and laws of equal opportunity, ERISA and OSHA.

Advanced Leadership Skills, Oct. 17-23—A "how-to" course covering public speaking, effective reading, clearer writing, parliamentary procedures and time management.

Advanced Arbitration, Oct. 24-29—A course with emphasis on the techniques for presenting grievance cases, examining witnesses and preparing briefs.

Unions using the Meany Center for their own training programs include the Service Employees, Oct. 3-8 and Oct. 84-29, and District 1199 of the Retail, Wholesale & Dept. Store Union, Oct. 17-23.

The AFL-CIO Departments of Education and International Affairs have scheduled a conference with the American Histadrut Cultural Exchange Institute, Oct. 12-14.

The American Institute for Free Labor Development will bring 40 union leaders from Latin America to the campus, Oct. 11, for six weeks.

Enrollment is now open for seven institutes set for November: White Collar Organizing, Nov. 7-12; Quality of Work-Life, Nov. 7-11; Negotiating Techniques, Private Sector, Nov. 14-19; Union Responses to Technological Change, Nov. 21-23; Introduction to Computers, Nov. 21-24; Union Communications, Nov. 21-24; and New Staff, Nov. 28-Dec. 10.

More information about these and other labor studies programs may be obtained from Fred K. Hoehler, Jr., director, George Meany Center, 10000 New Hampshire Ave., Silver Spring, Md. 20903. Telephon 301/431-6400.

Leaflet Day Set Oct. 19 to Build Election Turnout

(Continued from Page 1)

held in Washington. The AFL-CIO has designated election day 1982 as Solidarity Day II under the slogan, "last year we marched, this year we vote." The Oct. 19 events—13 months after Solidarity Day I—are part of labor's overall election activities.

Oct. 19 leaflet day will focus on races for governor and for federal offices. COPE-endorsed candidates for the Senate, House or governor will appear with union officers at some sites.

Kirkland said the job sites finally selected will total 60 or more. Among the cities are:

East: Vicksburg, Miss.; New Castle, Pa.; Clarksville, Tenn.; Birmingham, Ala.; Arlington, Va.; Delaware County, Pa.; Wilmington, Del.; Lake County, Ohio; New York City; Hackensack, N.J.; Staten Island, N.Y. Harrisburg, Pa.; Pittsburgh; Alexandria, Va.; Trenton, N.J.; Joliet, Ill.; Waukegan, Ill.; Madison, Wis.; Eau Claire, Wis.

West: Spokane, Wash.; San Francisco; Jefferson City, Mo.; Omaha, Neb.; Hayward, Calif.; San Bruno, Calif.; Salt Lake City, Utah; Portland, Ore.; St. Paul, Minn., Cedar Rapids, Iowa.

Business Failures Mount as Recession Deepens

By James M. Shevis

Mounting business failures and further deterioration in the key housing and steel industries pointed up the gravity of the nation's economic problems.

At the same time, two new polls showed Americans are fed up with the Administration's handling of the economy. A New York Times-CBS News survey of registered voters found 57 percent disapproved President Reagan's approach to the economy. And a Washington Post-ABC News poll also found the Republican Administration losing ground in voter confidence for its performance on the economy.

IN THE LATTER poll, the Democratic Party was widely seen as better able than the Republicans to cope with such problems as unemployment, fair taxation, and protection of the social security system.

Not since the Great Depression of the 1930s has the number of business failures been as high as in the past year, Dun & Bradstreet said. The credit-reporting service announced 657 businesses closed their doors in the week ended Sept. 16, the second highest level of the year. The highest level of failures occurred in the week ended Aug. 26, a total of 696 business firms folded.

So far this year, there have been 17,502 business failures. In the Depression era, 100 of every 10,000 businesses failed. If the current trend of failures should continue, Dun & Bradstreet said, about 80 of every 10,000 businesses could fail this year, compared with about 62 of every 10,000 last year.

DUN & BRADSTREET does not have weekly records from the Thirties, but based on annual rates from the Depression years it said the latest week's casualties bring the total so far this year to the highest level since 19,859 failures were reported in 1933.

Many analysts, after looking at the latest reports on the economy, figure that a recovery this year—if it should materialize—is likely to be slow and of short duration. Despite the July 1 cut in personal income taxes and recent declines in interest rates, they believe there have been no real solid indicators that the country is bouncing back from its eighth postwar recession.

While second-quarter "real" gross national product was revised upward this week from the 1.3 percent originally reported to 2.1 percent and the Commerce Dept.'s "flash," or advance, estimate for the current quarter indicates the economy growing at a 1.5-percent annual rate, the figures are far less than the 4-to-5-percent growth economists consider necessary to keep unemployment from worsening. The nation's jobless rate now stands at 9.8 percent, the highest in over 40 years.

Part of the reason for the revision in second-quarter real GNP was that business inventories were higher than thought previously. Real GNP is the value of the nation's total output of goods and services adjusted for inflation.

MUCH OF THE concern over the economy derives from the continuing housing slump. Detroit has been in a depression-like state for several years, and the steel industry's average operating rate is down to 42 percent, its lowest level since the 1930s.

New housing construction dropped 16.2 percent in August to an annual rate of slightly more than one million units, only the third month in the past year to top that level, the Commerce Dept. reported. Michael Sumichrast, chief economist of the National Association of Home Builders, said the August figures showed that interest rates must be brought down or the housing industry and the rest of the economy are headed for big trouble.

"THERE EITHER will be a change in the (tight-money) policy or the economy will take one deep breath and collapse, and it will be the end of us and everybody else," Sumichrast warned.

Other signs of a weak economy:

- Personal income grew by only three-tenths of 1 percent last month, the smallest gain since a rise of two-tenths of 1 percent last March and an indication of sluggish economic growth this fall. The 1-percent gain recorded in July was attributed largely to the increase in social security and other federal benefit payments.
- New claims for regular state unemployment insurance benefits jumped to a seasonally adjusted 658,000 in the week ended Sept. 4, an increase of 29,000 over the previous week, and the highest number since May 1980, when initial claims hit 675,000.

Labor Pushes Auto Content Bill in House

(Continued from Page 1)

produce or buy components in the United States worth a certain percent of their sales in the country. The legislation would provide for a sliding scale—the greater the sales in the United States, the greater the percentage of domestic content required.

The Ottinger proposal would require 10 percent at sales of 100,000 units annually in model year 1986. The requirement would rise to 90 percent for producers with annual sales of 900,000 or more.

"The United States can no longer afford a passive industrial and trade policy toward the auto industry when all other major auto-producing nations are promoting their industries, pushing their exports and preventing increases in imports," Fraser said.

In his testimony, Denison warned, "We face an emergency situation involving an industry that is basic to our economy and whose fate could decide whether the nations will regain its productive health or slide into a depression."

DENISON URGED speedy adoption of the measure which he said "is based on the concept that multinational auto companies—U.S., French, German or Japanese—should provide the United States with jobs and production when they enjoy the advantages of the U.S. market."

Fear of retaliation, often cited in opposition to content laws, is unfounded, Denison said, since other nations have combinations of domestic content laws or policies, high tariffs, quotas and/or embargoes, subsidies, and requirements for auto exports.

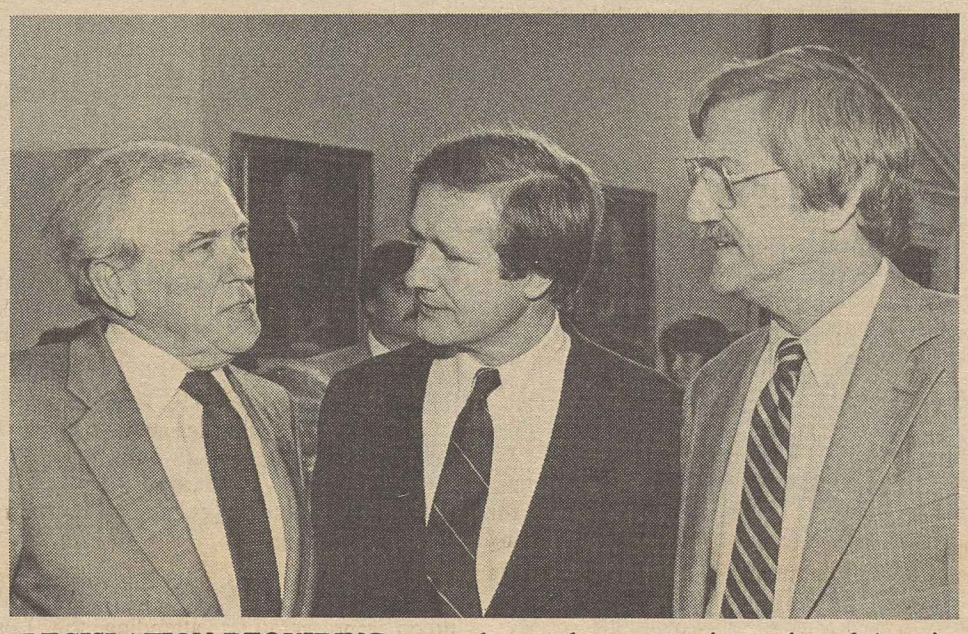
The IUD's Samuel told the House panel the direct problem of Japan demands special attention.

"WHILE THE United States maintains an open market to the Japanese," he said, "Japan has erected an array of non-tariff barriers to restrict the number of American vehicles sold in Japan."

Samuel said the Ottinger bill is "critical to the survival of the American auto industry." There is nothing unsettling to world trade relationships in the measure, he said.

"It simply realigns the United States in a position that is on par with numerous other countries which implemented auto restrictions some time ago. By helping millions of workers keep their jobs," he said, "this legislation will greatly strengthen the American economy."

Under the legislation, foreign auto makers that did not meet the minimum domestic content requirements would be subject to mandatory import quotas.



LEGISLATION REQUIRING automakers to have a certain portion of American-made components in any vehicles sold in the United States is discussed at House hearings by Auto Workers President Douglas A. Fraser, Sen. Donald W. Riegle, Jr. (D-Mich.) and AFL-CIO Legislative Director Ray Denison. Riegle is a cosponsor of the measure in the Senate.

Congress Slated to Return For Post-Election Session

President Reagan's call for a special session of Congress following the November elections to consider spending bills for fiscal year 1983 was reluctantly agreed to by congressional leaders who questioned the value of a "lame-duck" session.

House Speaker Thomas P. O'Neill Jr. (D-Mass.) warned that such a session also could consider measures other than the money bills, bogging down action on the primary legislation.

"EVERYBODY WHO has legislation kicking around here will want to bring it up," O'Neill warned, adding that attendance at special sessions is traditionally sparse.

Senate Majority Leader Howard H. Baker, Jr., of Tennessee told the upper chamber to be ready to return Nov. 29.

In a letter to congressional leaders, Reagan deplored what he called the practice of "attempting to run the federal government without a proper budget—with a series of temporary continuing resolutions." This "amounts to both bad economics and bad management," he said, urging Congress to resume its work after the elections "in a manner that fulfills the obligation of the budget resolution that Congress has passed."

REAGAN'S request came as Congress debated more than a dozen appropriations bill. Enactment of the measures, however, seemed difficult to realize by the start of the new fiscal year, which begins on Oct. 1. Congress plans to adjourn in early October to permit members to campaign for election.

One of the spending bills, an $11.2 billion transportation appropriation, passed the House even as the President's letter was on its way to congressional leaders. Passage came on a 268 to 119 vote despite a veto threat from Reagan.

Following approval of the transportation bill, the House passed a huge stopgap "continuing resolution" to fund all agencies for which Congress has not approved appropriations bills by Oct. 1. The resolution generally provides for funding at current levels or at House-approved levels, whichever are lower.

MEANWHILE, Senate liberals claimed a victory over conservatives by turning back four attempts to halt a two-week filibuster against a school prayer measure sponsored by Sen. Jesse Helms (R-N.C.).

The Helms amendment to a debt ceiling measure would remove the school prayer issue from the jurisdiction of the federal courts, including the Supreme Court, which have ruled that organized prayer in the schools violates the constitutional principle of separation of church and state.

"THE HELMS amendment attempts to deny the federal judiciary its appointed role in interpreting the Constitution," AFL-CIO Legislative Director Ray Denison said in a letter to all members of the Senate.

"It seeks to do indirectly what its sponsor and supporters cannot do directly: to overrule Supreme Court constitutional decisions by a simple majority vote of Congress."

Rail Strikers Ordered Back By Congress

The nation's railroads were operating again after members of the unaffiliated Locomotive Engineers complied with back-to-work legislation approved by Congress and signed by President Reagan.

Some 20,000 BLE members struck the railroads Sept. 19, staying out four days before Congress acted. Other rail unions honored the engineers' picket lines, and traffic was halted or curtailed on more than 100 lines.

THE LEGISLATION signed by Reagan imposed on BLE the recommendations made a month earlier by an emergency board appointed in July by the President to investigate the union's longstanding contract dispute with the carriers. The measure carried 383 to 17 in the House and by voice vote in the Senate.

The emergency panel's recommendations included a 28.8-percent wage increase over the 39 months of the new contract, plus cost-of-living adjustments, and a moratorium on striking before June 1984, when the new contract would expire. Similar agreements were signed earlier by 12 other rail unions. BLE balked at the strike moratorium and rejected the proposed wage hike because it did not provide the differential the union contends its members should have.

THE WAGE differential was at the heart of the dispute, keeping BLE and management from reaching agreement. For working with reduced crews, the engineers receive extra pay. BLE members working without a fireman receive $4 extra per day plus 4 cents a mile for every mile above 100 covered in a single day.

Alone among the 13 rail unions that negotiate with the railroads, the engineers for the past seven years have not had a no-strike clause in their contracts.

The United Transportation Union, which represents other crew members such as conductors and brakemen, recently signed a memorandum of agreement that would establish a strike moratorium in its contract. The UTU, whose contract negotiations also came in for study by a presidential fact-finding panel, scheduled a meeting of the union's general chairmen in Chicago, Sept. 24, to consider ratification of the contract.

THE BACK-TO-WORK work resolution was the first to be adopted since 1971 when Congress, at the request of President Nixon, took similar action to end a nationwide walkout by rail unions.

Congress acted under emergency powers of the Railway Labor Act of 1926, which authorizes legislation terminating any rail strike that threatens to deny essential transportation services.

Pillard Hits Reagan Attack

IBEW Delegates Urged To Defend Gains at Polls

Los Angeles—A strong demonstration of trade union solidarity in the November elections is essential if organized labor is to preserve the gains it has made over the past 50 years, delegates to the International Brotherhood of Electrical Workers were told.

IBEW President Charles H. Pillard warned that virtually every economic and social program beneficial to workers "is under attack from an Administration that has given new life to the extremists of the right—the very same forces that organized labor threw out of government 50 years ago."

PILLARD CITED the concerted efforts of the Reagan Administration and its conservative allies to undermine the wage protections of the Davis-Bacon Act, weaken occupational safety and health law, undercut unemployment compensation as millions of jobless seek work, and scuttle programs for retirees and the elderly.

But the primary target of the right wing is to destroy the labor movement, he stressed, "because they know that we are the driving force behind social progress, that we believe that people should share in the wealth that is made possible by their talents and skills."

Victory in November for labor-endorsed candidates will help preserve union rights, secure hard-won protections and widen opportunities for needed job-creating legislation, Pillard told the union's 32nd quadrennial convention.

SPEAKER AFTER speaker stressed the need to turn out a heavy vote of union members and their families on Nov. 2.

AFL-CIO President Lane Kirkland said in a convention address that President Reagan will be seeking a vote of confidence for his policies in November even as 10.8 million jobless Americans—victims of Reaganomics—search for nonexistent jobs.

Kirkland observed that in preaching the virtues of supply-side economics, Reagan promised that huge tax cuts for corporations and the wealthy would produce new investment and jobs along with a resurgence of economic growth.

"What went wrong?" Kirkland asked. "According to the Secretary of Commerce, lately enlightened, the business tax cuts were too large and so, rather than stimulating capital spending, they depressed it."

AND WHILE the millions of victims of Reaganomics yearn for work, the nation's bridges, streets, sewers, hospitals, ports and other public facilities are deteriorating, Kirkland pointed out.

"We are not calling for government handouts to welfare chiselers or meaningless make-work programs," he stressed. "We are calling for government programs to put people back to work that desperately needs to be done."

Reagan's policies also came under heavy fire from Sen. Alan Cranston (D-Calif.), Gov. Edmund G. Brown, National COPE Director John Perkins, President Robert A. Georgine of the AFL-CIO Building & Construction Trades Dept., and President Paul Burnsky of the Metal Trades Dept.

IN CONVENTION action, the 3,300 delegates voted a $1 increase in monthly per capita payments, which will rise to $5.20 next Jan. 1.

Delegates also re-elected Pillard, Sec. Ralph A. Leigon and Treas. Thomas P. Van Arsdale to new four-year terms in addition to relaxing the union's age 65 mandatory retirement rule for IBEW officers.

The amended bylaw permits incumbent officers to complete terms after turning 65. Pillard, now 64, was elected to a new term over C. R. Delgado of Galveston, Tex., by a vote of 548,384 to 64,292. Leigon and Van Arsdale were re-elected without opposition.

Eleven of the 12 district vice presidents were re-elected without opposition, as was the eight-member executive council. In the only contested race—for the eighth district vice presidency—Jon F. Walters defeated incumbent Larry Fornan. The district comprises Colorado, Montana, Utah and Wyoming.

DELEGATES ALSO adopted an "outsider" rule which prohibits candidates for union office from soliciting or accepting campaign contributions from nonmembers of the IBEW.

The convention voted to increase salaries of officers and senior representatives, their first raise since 1978. The president's salary rises to $120,000 a year from $97,500; the secretary's to $106,000 from $86,500; the treasurer's to $27,000 from $22,000; vice presidents to $74,000 from $60,000; executive council members to $23,500 from $19,000 and the council chairman's to $27,000 from $22,000. The salary of senior representatives was increased to $54,000 from $44,000.

In future years officers' salaries will be adjusted annually—keyed to 75 percent of the wage increases negotiated for IBEW members.

FUND-RAISING DINNER brought in more than $30,000 toward the purchase of the Botto House in Haledon, N.J., in efforts to convert it into a labor history museum. As the home of Pietro Botto in 1913, it was the meeting place for union organizers and striking silk workers. Seated from left are AFL-CIO Vice President J. C. Turner; Bunny Kuiken, Botto's granddaughter; AFL-CIO Sec.-Treas. Thomas R. Donahue; joined by Executive Vice President Scott Hoyman of the Clothing & Textile Workers; ACTWU Senior Executive Vice President Sol Stetin, also honored at the dinner, and ACTWU Vice President Joe Coponi.

20 Years of Success Hailed In L.A. Organizing Project

Los Angeles—American workers need bigger and stronger unions to deal with giant corporations and to protect them against the political and economic assaults of the Reagan Administration.

That was the message that AFL-CIO President Lane Kirkland brought to the 20th anniversary celebration of the federation's long-running organizing campaign in southern California.

KIRKLAND COMMENDED the 750 union representatives attending the Los Angeles-Orange Counties Organizing Committee luncheon for their efforts in the project, which is credited with bringing 400,000 workers into unions.

"Organizing is an unending process," he stressed. "We did not enter the California scene for a couple of quick victories or fast headlines. We started this campaign to lay the foundation for a sound, progressive labor movement, and that is what we have done."

Citing the success of the campaign launched 20 years ago, Kirkland noted that the model created in California is being used with modifications in Houston in a coordinated effort by 28 federation affiliates.

"Houston's big employers, like those of southern California two decades ago have enjoyed a free ride until now," he said. "They have been able to short-change workers on money and fringes, offering free sunshine on the weekends in place of more money in the pay envelope and the security of a union contract."

Bigger and stronger unions are needed to engage the corporations and industries that control the nation's economy, Kirkland asserted. They also need to stand up against the attacks on workers' interests that were "launched when Ronald Reagan moved into the White House," he said.

Kirkland charged that "for the first time in a half-century, we have a President and an Administration dedicated to the ideology that government is the enemy."

IN THE process of undoing the progress toward social justice achieved over the last 50 years, "Reaganite Republicans have managed to drag this country into its worst recession since the Great Depression of the 1930s," Kirkland said.

Along with soaring unemployment, mounting bankruptcies and a bleak economic outlook, he said, "the list of Reaganomics' victims gets longer every day as this Administration cuts and slashes at the vital social programs that were built over several decades to protect the old and the sick and the deprived in our society."

In times of crisis, workers need the strength and the solidarity of unions, he observed:

"IT IS IN those industries hardest hit by the Reagan 'depression' that the union contract has proved its value. The organized worker is the one who is protected from discriminatory layoffs. It is free collective bargaining that allows workers—through their unions—to adjust working conditions to the changes in the economic atmosphere in a fair manner."

And when the economy recovers, it will be the unions that turn the givebacks into gains for workers, Kirkland stressed.

SEIU Drive Fights Social Security Pullouts

The Service Employees are cranking up an organizing campaign aimed at nonprofit hospitals that have filed notices to drop social security protections.

SEIU President John J. Sweeney said the drive will begin within 30 days and initially will concentrate on the Chicago area where 209 hospitals and health care facilities have filed withdrawal notices with the Internal Revenue Service.

While the Chicago area leads the nation in withdrawals, data obtained by the SEIU from the Social Security Administration show that more than 930 nonprofit health care organizations employing 375,000 workers have filed withdrawal notices—with some 100 filings made since June.

Sweeney said the SEIU is focusing on workers not represented by unions since they have little protection against the unilateral action their employers are taking to strip them of social security coverage.

"The continuing increase in withdrawals from social security by non-profit hospitals means they are becoming free-loaders on the U.S. health care system at a time when we are having trouble financing delivery of basic services," Sweeney charged.

"MEDICARE FUNDS, which are the bulwark of our health care system, come entirely from social security contributions, and withdrawals are damaging Medicare just as surely as they are undermining the solvency of the social security system."

Earlier, Sweeney asked Rep. J. J. Pickle (D-Tex.), chairman of the House subcommittee on social security, to conduct hearings in Washington and Chicago "so the public can know the full truth of the withdrawals and their potential damage to the solvency of the social security system and to health care funding."

Sweeney underlined the need for Congress to close the withdrawal "loophole" that allows non-profit organizations to pull out of social security after eight years of participation.

THE SEIU has successfully blocked the withdrawal of a San Francisco hospital by filing an unfair labor practice charge with the National Labor Relations Board. The issue is now before the U.S. 9th Circuit Court of Appeals.

In another area, Sweeney said the SEIU has asked Health & Human Services Sec. Richard S. Schweiker to immediately implement a ban on reimbursing health care employers for anti-union activities from Medicare funds. That prohibition was spelled out in the tax bill recently enacted by Congress.

THE AMERICAN Hospital Association is strongly considering a court challenge of the provision.

"It is obscene for hospitals and nursing homes to finance anti-union activities with public funds," Sweeney declared. "As a union, we pay our own costs for conducting organizing campaigns, and the health care institutions should pay their own costs for trying to defeat us."

Jobless Rate Soars To 12.7% in Britain

Unemployment in Britain, where the Thatcher Conservative Party government hews to monetarist economic policies admired by the Reagan Administration, rose 49,000 to nearly 3,037,000 in mid-September. The jobless represent 12.7 percent of the work force.

Joblessness has increased steadily in Britain since July, when the number of unemployed workers for the first time exceeded the number registered at the height of the Great Depression in January 1933.

The grim economic news was announced the day before the British Trades Union Congress called a "day of action" to support increased pay for health care workers.

Flight Attendants Gain Alaska Airlines Accord

Flight Attendants reached a tentative agreement with Alaska Airlines on a new contract with the assistance of the National Mediation Board after 11 months of negotiations.

The AFA, an affiliate of the Air Line Pilots, represents 359 Alaska Airlines flight attendants. Details of the contract will be disclosed following membership ratification, the union said.

House Votes Funds for 250,000 Jobs

An emergency funding bill to provide some 250,000 public-sector jobs for the hard-core unemployed won House approval Sept. 16 by a 223 to 169 vote.

The measure, which had strong AFL-CIO support, now must receive approval in the Senate. Voting right (R) on the House rollcall ballot were 191 Democrats and 32 Republicans. Voting wrong (W) were 141 Republicans and 28 Democrats.

Numerals show congressional districts. A—absent; PR—paired right; PW—paired wrong.

ALABAMA
1. Edwards (R) W
2. Dickinson (R) W
3. Nichols (D) R
4. Bevill (D) R
5. Flippo (D) R
6. Smith (R) W
7. Shelby (D) W

ALASKA
AL Young (R) PR

ARIZONA
1. Rhodes (R) W
2. Udall (D) R
3. Stump (D) W
4. Rudd (R) W

ARKANSAS
1. Alexander (D) R
2. Bethune (R) W
3. Hammerschmidt (R) W
4. Anthony (D) R

CALIFORNIA
1. Chappie (R) W
2. Clausen (R) R
3. Matsui (D) R
4. Fazio (D) R
5. Burton, John (D) PR
6. Burton, Phillip (D) R
7. Miller (D) R
8. Dellums (D) R
9. Stark (D) R
10. Edwards (D) R
11. Lantos (D) R
12. McCloskey (R) A
13. Mineta (D) R
14. Shumway (R) W
15. Coelho (D) R
16. Panetta (D) R
17. Pashayan (R) R
18. Thomas (R) PW
19. Lagomarsino (R) W
20. Goldwater (R) W
21. Fiedler (R) W
22. Moorhead (R) PW
23. Beilenson (D) R
24. Waxman (D) R
25. Roybal (D) R
26. Rousselot (R) W
27. Dornan (R) W
28. Dixon (D) R
29. Hawkins (D) R
30. Martinez (D) R
31. Dymally (D) R
32. Anderson (D) R
33. Grisham (R) W
34. Lungren (R) W
35. Dreier (R) W
36. Brown (D) R
37. Lewis (R) W
38. Patterson (D) W
39. Dannemeyer (R) W
40. Badham (R) W
41. Lowery (R) W
42. Hunter (R) W
43. Burgener (R) W

COLORADO
1. Schroeder (D) R
2. Wirth (D) R
3. Kogovsek (D) R
4. Brown (R) W
5. Kramer (R) W

CONNECTICUT
1. Kennelly (D) R
2. Gejdenson (D) R
3. DeNardis (R) R
4. McKinney (R) R
5. Ratchford (D) R
6. Moffett (D) R

DELAWARE
AL Evans (R) W

FLORIDA
1. Hutto (D) R
2. Fuqua (D) R
3. Bennett (D) R
4. Chappell (D) R
5. McCollum (R) W
6. Young (R) W
7. Gibbons (D) R
8. Ireland (D) W
9. Nelson (D) R
10. Bafalis (R) A
11. Mica (D) R
12. Shaw (R) W
13. Lehman (D) R
14. Pepper (D) PR
15. Fascell (D) R

GEORGIA
1. Ginn (D) W
2. Hatcher (D) R
3. Brinkley (D) R
4. Levitas (D) W
5. Fowler (D) R
6. Gingrich (R) W
7. McDonald (D) W
8. Evans (D) A
9. Jenkins (D) W
10. Barnard (D) W

HAWAII
1. Heftel (D) R
2. Akaka (D) PR

IDAHO
1. Craig (R) W
2. Hansen (R) W

ILLINOIS
1. Washington (D) R
2. Savage (D) R
3. Russo (D) R
4. Derwinski (R) W
5. Fary (D) R
6. Hyde (R) W
7. Collins (D) R
8. Rostenkowski (D) R
9. Yates (D) R
10. Porter (R) W
11. Annunzio (D) PR
12. Crane, Philip (R) W
13. McClory (R) PW
14. Erlenborn (R) W
15. Corcoran (R) W
16. Martin (R) W
17. O'Brien (R) R
18. Michel (R) W
19. Railsback (R) R
20. Findley (R) R
21. Madigan (R) W
22. Crane, Dan (R) W
23. Price (D) A
24. Simon (D) PR

INDIANA
1. Vacancy
2. Fithian (D) R
3. Hiler (R) W
4. Coats (R) W
5. Hillis (R) W
6. Evans (D) R
7. Myers (R) R
8. Deckard (R) A
9. Hamilton (D) R
10. Sharp (D) R
11. Jacobs (D) R

IOWA
1. Leach (R) R
2. Tauke (R) PW
3. Evans (R) R
4. Smith (D) R
5. Harkin (D) R
6. Bedell (D) W

KANSAS
1. Roberts (R) W
2. Jeffries (R) W
3. Winn (R) W
4. Glickman (D) R
5. Whittaker (R) W

KENTUCKY
1. Hubbard (D) R
2. Natcher (D) R
3. Mazzoli (D) R
4. Snyder (R) A
5. Rogers (R) W
6. Hopkins (R) W
7. Perkins (D) R

LOUISIANA
1. Livingston (R) W
2. Boggs (D) R
3. Tauzin (D) W
4. Roemer (D) W
5. Huckaby (D) R
6. Moore (R) W
7. Breaux (D) W
8. Long (D) R

MAINE
1. Emery (R) W
2. Snowe (R) W

MARYLAND
1. Dyson (D) W
2. Long (D) R
3. Mikulski (D) R
4. Holt (R) W
5. Hoyer (D) R
6. Byron (D) W
7. Mitchell (D) R
8. Barnes (D) R

MASSACHUSETTS
1. Conte (R) W
2. Boland (D) R
3. Early (D) R
4. Frank (D) R
5. Shannon (D) R
6. Mavroules (D) R
7. Markey (D) R
8. O'Neill (D) Speaker
9. Moakley (D) R
10. Heckler (R) R
11. Donnelly (D) R
12. Studds (D) R

MICHIGAN
1. Conyers (D) R
2. Pursell (R) W
3. Wolpe (D) R
4. Siljander (R) W
5. Sawyer (R) W
6. Dunn (R) R
7. Kildee (D) R
8. Traxler (D) R
9. Vander Jagt (R) W
10. Albosta (D) R
11. Davis (R) R
12. Bonior (D) R
13. Crockett (D) R
14. Hertel (D) R
15. Ford (D) R
16. Dingell (D) R
17. Brodhead (D) R
18. Blanchard (D) A
19. Broomfield (R) W

MINNESOTA
1. Erdahl (R) W
2. Hagedorn (R) W
3. Frenzel (R) PW
4. Vento (D) R
5. Sabo (D) R
6. Weber (R) W
7. Stangeland (R) W
8. Oberstar (D) R

MISSISSIPPI
1. Whitten (D) R
2. Bowen (D) R
3. Montgomery (D) W
4. Dowdy (D) R
5. Lott (R) W

MISSOURI
1. Clay (D) R
2. Young (D) R
3. Gephardt (D) R
4. Skelton (D) R
5. Bolling (D) A
6. Coleman (R) W
7. Taylor (R) W
8. Bailey (R) W
9. Volkmer (D) R
10. Emerson (R) W

MONTANA
1. Williams (D) R
2. Marlenee (R) A

NEBRASKA
1. Bereuter (R) W
2. Daub (R) W
3. Smith (R) W

NEVADA
AL Santini (D) A

NEW HAMPSHIRE
1. D'Amours (D) R
2. Gregg (R) W

NEW JERSEY
1. Florio (D) R
2. Hughes (D) R
3. Howard (D) R
4. Smith (R) R
5. Fenwick (R) R
6. Forsythe (R) A
7. Roukema (R) W
8. Roe (D) R
9. Hollenbeck (R) R
10. Rodino (D) R
11. Minish (D) R
12. Rinaldo (R) R
13. Courter (R) W
14. Guarini (D) R
15. Dwyer (D) R

NEW MEXICO
1. Lujan (R) W
2. Skeen (R) W

NEW YORK
1. Carney (R) W
2. Downey (D) R
3. Carman (R) W
4. Lent (R) W
5. McGrath (R) W
6. LeBoutillier (R) W
7. Addabbo (D) R
8. Rosenthal (D) R
9. Ferraro (D) R
10. Biaggi (D) R
11. Scheuer (D) R
12. Chisholm (D) R
13. Solarz (D) R
14. Vacancy
15. Zeferetti (D) R
16. Schumer (D) R
17. Molinari (R) W
18. Green (R) W
19. Rangel (D) R
20. Weiss (D) PR
21. Garcia (D) R
22. Bingham (D) R
23. Peyser (D) R
24. Ottinger (D) R
25. Fish (R) R
26. Gilman (R) R
27. McHugh (D) R
28. Stratton (D) R
29. Solomon (R) W
30. Martin (R) W
31. Mitchell (R) R
32. Wortley (R) W
33. Lee (R) A
34. Horton (R) W
35. Conable (R) W
36. LaFalce (D) R
37. Nowak (D) R
38. Kemp (R) W
39. Lundine (D) R

NORTH CAROLINA
1. Jones (D) R
2. Fountain (D) A
3. Whitley (D) R
4. Andrews (D) R
5. Neal (D) R
6. Johnston (R) PW
7. Rose (D) PR
8. Hefner (D) R
9. Martin (R) W
10. Broyhill (R) W
11. Hendon (R) W

NORTH DAKOTA
AL Dorgan (D) R

OHIO
1. Gradison (R) W
2. Luken (D) R
3. Hall (D) R
4. Oxley (R) W
5. Latta (R) W
6. McEwen (R) W
7. Brown (R) R
8. Kindness (R) W
9. Weber (R) W
10. Miller (R) W
11. Stanton (R) W
12. Shamansky (D) R
13. Pease (D) R
14. Seiberling (D) R
15. Wylie (R) W
16. Regula (R) W
17. Ashbrook (R) W
18. Applegate (D) R
19. Williams (R) R
20. Oakar (D) R
21. Stokes (D) R
22. Eckart (D) R
23. Mottl (D) R

OKLAHOMA
1. Jones (D) A
2. Synar (D) W
3. Watkins (D) R
4. McCurdy (D) A
5. Edwards (R) W
6. English (D) W

OREGON
1. AuCoin (D) R
2. Smith (R) W
3. Wyden (D) R
4. Weaver (D) R

PENNSYLVANIA
1. Foglietta (D) R
2. Gray (D) R
3. Smith (D) PR
4. Dougherty (R) R
5. Schulze (R) A
6. Yatron (D) R
7. Edgar (D) R
8. Coyne, James (R) R
9. Shuster (R) W
10. McDade (R) R
11. Nelligan (R) R
12. Murtha (D) R
13. Coughlin (R) W
14. Coyne, William (D) R
15. Ritter (R) W
16. Walker (R) W
17. Ertel (D) R
18. Walgren (D) R
19. Goodling (R) W
20. Gaydos (D) R
21. Bailey (D) R
22. Murphy (D) R
23. Clinger (R) W
24. Marks (R) R
25. Atkinson (R) R

RHODE ISLAND
1. St Germain (D) R
2. Schneider (R) R

SOUTH CAROLINA
1. Hartnett (R) W
2. Spence (R) W
3. Derrick (D) R
4. Campbell (R) W
5. Holland (D) R
6. Napier (R) R

SOUTH DAKOTA
1. Daschle (D) R
2. Roberts (R) W

TENNESSEE
1. Quillen (R) W
2. Duncan (R) W
3. Bouquard (D) R
4. Gore (D) R
5. Boner (D) R
6. Beard (R) PW
7. Jones (D) R
8. Ford (D) R

TEXAS
1. Hall, Sam (D) W
2. Wilson (D) R
3. Collins (R) W
4. Hall, Ralph (D) W
5. Mattox (D) A
6. Gramm (D) W
7. Archer (R) W
8. Fields (R) W
9. Brooks (D) A
10. Pickle (D) A
11. Leath (D) W
12. Wright (D) R
13. Hightower (D) W
14. Patman (D) W
15. de la Garza (D) R
16. White (D) W
17. Stenholm (D) W
18. Leland (D) R
19. Hance (D) W
20. Gonzalez (D) R
21. Loeffler (R) W
22. Paul (R) A
23. Kazen (D) R
24. Frost (D) R

UTAH
1. Hansen (R) W
2. Marriott (R) W

VERMONT
AL Jeffords (R) W

VIRGINIA
1. Trible (R) W
2. Whitehurst (R) W
3. Bliley (R) W
4. Daniel, Robert (R) W
5. Daniel, Dan (D) W
6. Butler (R) PW
7. Robinson (R) W
8. Parris (R) W
9. Wampler (R) W
10. Wolf (R) W

WASHINGTON
1. Pritchard (R) A
2. Swift (D) R
3. Bonker (D) R
4. Morrison (R) W
5. Foley (D) R
6. Dicks (D) R
7. Lowry (D) R

WEST VIRGINIA
1. Mollohan (D) R
2. Benedict (R) R
3. Staton (R) R
4. Rahall (D) R

WISCONSIN
1. Aspin (D) R
2. Kastenmeier (D) A
3. Gunderson (R) W
4. Zablocki (D) R
5. Reuss (D) PR
6. Petri (R) W
7. Obey (D) R
8. Roth (R) W
9. Sensenbrenner (R) W

WYOMING
AL Cheney (R) W

Robin Hood Inverted

WE ARE FACED today with a concerted effort by a national Administration to break us apart, to stir up an awareness of meaningless differences among us, to encourage us to overlook the fact that we are all working people and that our destiny and progress in America depends upon our mutual cooperation, understanding affection and respect for each other.

This Administration, increasingly, has given safe passage into national debate and into social policy to some of the worst elements of American life. The strategy represents no less than a head-on attack on the interests of working people in America.

The fact that we have ten million people unemployed in the richest nation on earth and that we are financing an obscenely huge military budget by taking money from poor people, unemployed people, working people, black, white, Hispanic, Asian and other peoples who are struggling to make it in America, is no accident.

IT IS A conscious attempt to respond to a particular constituency whose solitary commitment is to enhance the position of class, privilege and wealth in America.

Under this Administration, taking from the poor and giving to the rich—a kind of grotesque inversion of the Robin Hood story—has become a cornerstone of national policy. This policy cannot be sustained for long. For it contributes to the dehumanization of our people and in so doing, corrupts and diminishes us all.

—From commencement address of Joseph S. Murphy, Chancellor-designate of LaGuardia Community College, New York, Sept. 12, 1982.

A Lesson In Unionism

THE LIST OF Reaganomics' victims gets longer every day as this Administration cuts and slashes at the vital social programs that were built over several decades to protect the old and the sick and the deprived in our society.

The Reagan budget cutters gutted training programs and reduced unemployment benefits just as the demand for new skills was rising and old ones disappearing, and more and more workers were being thrown into the streets.

There is an important lesson to be learned from this period of crisis—in bad times, too, there is strength in solidarity. That's when workers need their union most of all.

It is in those industries hardest hit by the Reagan depression that the union contract has proved its value. The organized worker is the one who is protected from discriminatory layoffs. It is free collective bargaining that allows workers, through their unions, to adjust working conditions to the changes in the economic atmosphere in a fair manner.

It will also be the unions that will protect their members when the economic wheel turns again and prosperity returns—when the callbacks replace layoffs, and the so-called givebacks are turned into new gains for workers.

—AFL-CIO President Lane Kirkland at Los Angeles organizing campaign luncheon, Sept. 14, 1982.

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THOMAS R. DONAHUE, *Secretary-Treasurer*

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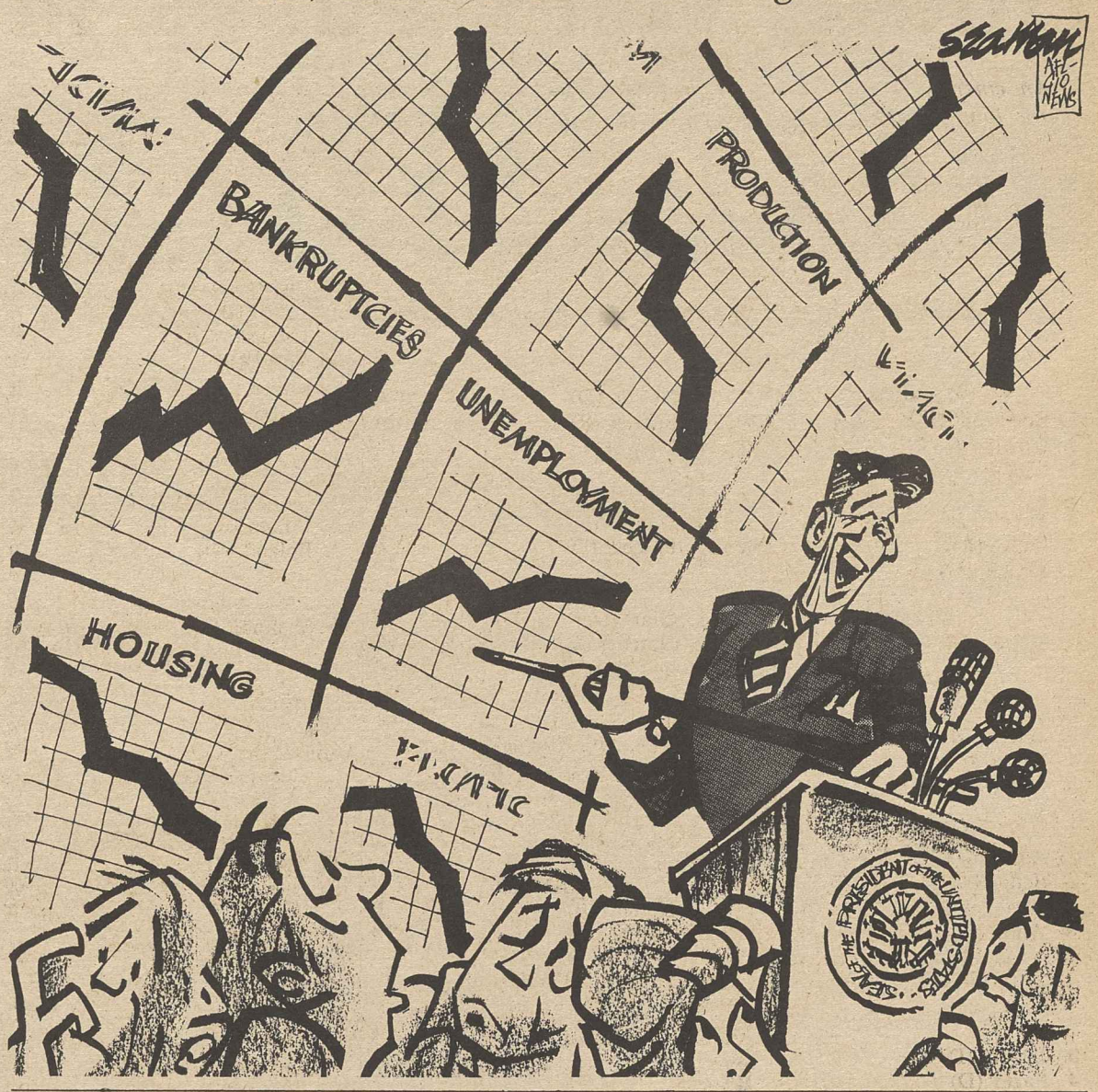

Washington Window

Reagan Refuses to Recognize Suffering His Policies Cause

By Press Associates, Inc.

AS PRESIDENT REAGAN crosses the nation in Air Force One, shuttling between the White House and his California ranch, he views a beautiful landscape unfolding below. But how long can he remain 35,000 feet above the nation's problems, seemingly unaware of the distress and suffering his policies are causing?

The President adamantly refuses to recognize, let alone accept responsibility for, the collapse of his grand design.

The huge tax cuts of 1981 were supposed to spur an economic boom. The $25 billion in social program cutbacks were supposed to release money for defense, free people from "dependence" on government and force welfare "cheaters" to look for work.

IN HIS State of the Union address in January 1982, Mr. Reagan called on the private sector to replace the government in funding and running social programs.

Working people by far give the greatest amount in voluntary contributions, about $39 billion in 1981, more than half to churches. Foundations gave $2.4 billion and business about $2.7 billion.

But loss of government funds has been crippling the work of the major human services agencies.

The Family Service Association of America surveyed its United Way agencies and found they had lost $6.7 million in public funding in 1982, 8 percent of total public funding. Efforts to increase private funding brought in only $334,000.

AN FSA OFFICIAL said she was disturbed by the survey findings. There is a tremendous interdependence between government and private groups, she said, and it was "naive" of the Reagan Administration to think that corporations could take up the slack.

LeRoy Robinson, Jr., the president of FSA, related poignant stories of people flocking to Oklahoma in search of jobs and families living in cars for lack of shelter. "Then there is the example of the working mother in Wichita, Kan., with two children 3 and 4 years old. After the state cut its day-care benefits, she was forced to bring her children to work each day and leave them in her car in the plant's parking lot. She was deeply upset by her plight, but had no other way to care for her children while she worked."

The Child Welfare League reported large increases in child abuse and deaths in areas of high unemployment. In Oregon, as the timber industry slumped and unemployment rose, cases of family stress and child abuse jumped 46 percent. Similar large increases were reported in South Carolina, Texas, West Virginia, Illinois and Michigan.

THE COUNCIL of Jewish Federations reported that because of Medicaid cuts, all hospitals, "including those like ours who truly care deeply for the human needs of the sick and poor, will reach a financial breaking point."

The Conference of Catholic Charities said its services were reduced because of public funding cuts while the number of people seeking help "increased dramatically."

Bishop J. Francis Stafford, chairman of the Commission on Marriage & Family Life of the U.S. Catholic Conference, became perhaps the first major church to criticize Reagan's policies. ciety are shaken.

"History has taught us that one of the most important functions of government is to protect the family," Bishop Stafford said. "When family structures are threatened, the foundations of society are shaken.

MANY MILLIONS of poor, low- and previously middle-income families are suffering from unemployment, the church leader said. "Joblessness has been solidly linked to the breakdown of family life," he noted, with unemployment related to rises in infant mortality, child abuse, alcoholism, suicide, heart disease and most crimes, including murder.

Bishop Stafford said that while he was not linking all the current economic woes to this or any other Administration, "the White House cannot escape responsibility for the policies it is prescribing."

On Sept. 9, 1982, President Reagan visited Topeka, Kan., and addressed a Republican luncheon. He said there was talk he had picked on the helpless, the needy, the poor. "Well, that is not true," he said. He then told a few anecdotes about people on welfare and social security and his audience laughed.

AFL-CIO LEGISLATIVE ALERT!

GOP Plans Cuts in Social Security After Election Day—Unless They Get a Message

President Reagan and his right-wing allies in Congress seem to think that Social Security and Medicare are fair game for their "slash and burn" policies. The nation's retirees, who know first-hand how much they depend on these life-support programs, have protested vigorously--and effectively. They have stopped many of the worst Reagan proposals in their tracks.

Loss of Faith Among Young Americans

Unfortunately, in sounding false alarms about Social Security's financing, Reagan has caused a loss of faith among the nation's young workers about federal retirement programs. Many now feel they will never receive the Social Security and Medicare benefits they are paying for, so they aren't protesting alongside the elderly.

Cuts in Social Security and Medicare affect all Americans, young and old. If your parents or elderly dependents are deprived of their full benefits, who will make sure they don't suffer? You, of course.

Social Security: More Than Just a Pension

Social Security is more than a pension for your retirement years. It provides important safeguards for families in their working years:

- It's also a **disability insurance** program, helping workers and their families if the breadwinner suffers injury and can no longer continue gainful employment.
- It's a **life insurance** program, providing income for surviving spouses and young children if the breadwinner dies.
- It's a **health insurance** program, helping retirees and the disabled meet skyrocketing hospital and medical bills.

The Politics of Cutting Social Security

1. **President Reagan and right-wing members of Congress have never shown much support for Social Security and Medicare.**
2. **Only the threat of retaliation by angry voters has prevented Congress from making cuts in these programs even deeper than they already have.**
3. **That's why Social Security and Medicare face grave danger after Election Day 1982.**

Vote on November 2 for a Better Congress

Make sure now that you are registered to vote, and take care on Nov. 2 to vote for those who have voted to save Social Security and Medicare, and against those who have rubber-stamped the Reagan budget cuts.

Social Security: Myth vs. Fact

MYTH: Social Security is going broke.
FACT: The alarm bells sounded by the Reagan Administration are meant only to frighten the public into accepting cuts in their Social Security benefits. Actually, Social Security faces a short-term problem, ironically, caused in part by the Reagan recession which has thrown more than 2 million Americans out of work, stopping their payments into the system.

The problem can be solved by:

1) renewing the authority to transfer money among the three Social Security trust funds (this authority is due to expire at the end of 1982), and

2) if necessary, borrowing from general federal revenues, as is currently being done for unemployment compensation. Preferably, actual contributions should be made from general revenues, as is done in other Western industrialized countries.

MYTH: President Reagan won't cut Social Security benefits.
FACT: President Reagan already has cut Social Security benefits by $18 billion over the next five years. And he has repeatedly called for much deeper cuts--as much as $82 billion over five years--only to be slapped down by Congress.

MYTH: Social Security is only an income supplement for the elderly.
FACT: Social Security is the No. 1 source of income for the elderly, with private pensions and savings far behind. Only 28 percent of the elderly have a private pension in addition to Social Security. For one retiree in four, Social Security provides 90 percent of their income.

GOP Leaders Speak Out on Social Security

President Reagan (regarding his proposal to delay Social Security cost-of-living adjustments): "Well, this is a slippage, but we're going to cut all pensions."

Budget Director David Stockman: (Use of scare tactics) "will permit the politicians to make it look like they're doing something for the beneficiary population when they are doing something to it."

Sen. Robert Dole (R-KS), on why he wants to cut Social Security after Election Day: "Between Thanksgiving and Christmas is a perfect time; even politicians aren't very political then."

Domestic Content Bill Is One Step Closer to a Vote

The domestic content bill, H.R. 5133, cleared a major legislative hurdle as it was approved 25-16 by the House Energy and Commerce Committee (see vote, below left).

The content bill would require auto manufacturers who sell large quantities of vehicles in the United States--primarily Toyota and Datsun--to produce gradually increasing portions of the vehicles here. It would restore an estimated 700,000 jobs in auto production and supplier industries.

The content bill has been referred to the Ways and Means Committee, which began hearings last week. The AFL-CIO and UAW testified in strong support of this jobs legislation.

WHAT YOUR CAN DO: Urge your Representative to cosponsor and support H.R. 5133, the domestic content bill. Particularly important now are members of the Ways and Means Committee.

VOTE ON THE CONTENT BILL IN THE HOUSE COMMERCE COMMITTEE

Right
Dingell (D-MI)
Scheuer (D-NY)
Ottinger (D-NY)
Wirth (D-CO)
Sharp (D-IN)
Florio (D-NJ)
Moffett (D-CT)
Markey (D-MA)
Luken (D-OH)
Walgren (D-PA)
Mikulski (D-MD)
Mottl (D-OH)
Swift (D-WA)
Leland (D-TX)
Shelby (D-AL)
Collins (D-IL)
Hall (D-TX)
Brown (R-OH)
Madigan (R-IL)
Rinaldo (R-NJ)
Marks (R-PA)
Lee (R-NY)
Ritter (R-PA)
Rogers (R-KY)
Coats (R-IN)

Wrong
Waxman (D-CA)
Santini (D-NV)
Gore (D-TN)
Gramm (D-TX)
Synar (D-OK)
Wyden (D-OR)
Broyhill (R-NC)
Collins (R-TX)
Lent (R-NY)
Moorhead (R-CA)
Corcoran (R-IL)
Dannemeyer (R-CA)
Whittaker (R-KS)
Tauke (R-IA)
Benedict (R-WV)
Bliley (R-VA)

NOW H.R. 5133 MOVES TO THE HOUSE WAYS AND MEANS COMMITTEE

Democrats
Rostenkowski (IL)
Gibbons (FL)
Pickle (TX)
*Rangel (NY)
* Stark (CA)
Jones (OK)
*Jacobs (IN)
*Ford (TN)
Holland (SC)
*Brodhead (MI)
*Jenkins (GA)
*Gephardt (MO)
*Downey (NY)
Heftel (HI)
*Fowler (GA)
*Guarini (NJ)
*Shannon (MA)
*Russo (IL)
*Pease (OH)
Hance (TX)
*Matsui (CA)
*Bailey (PA)
Anthony (AR)

Republicans
Conable (NY)
*Duncan (TN)
Archer (TX)
Vander Jagt (MI)
Crane (IL)
Frenzel (MN)
Martin (NC)
Bafalis (FL)
Schulze (PA)
Gradison (OH)
Rousselot (CA)
Moore (LA)

*Cosponsor, H.R. 5133

Balanced Budget Amendment: Keep Up the Pressure

Time is running out on the program-slashing balanced budget Constitutional amendment. But President Reagan has demanded that Congress return for a lame-duck session after the election Nov. 2, and the backers of the amendment could try to bring it to a vote then.

Another problem: House leaders may bring to the floor a statutory version of the amendment. This would keep Reaganomics out of the Constitution, but it could include objectionable provisions, such as requiring a two-thirds "supermajority" to approve spending to bring the country out of recession.

WHAT YOU CAN DO: Continue urging your Representative to oppose H.J. Res. 350 or any other version of the balanced budget amendment that would undermine majority rule.

Now Japan Wants To Build and Export Aircraft

In the 1970s, the United States watched idly as the Japanese government vigorously subsidized and promoted its auto industry, sending millions of vehicles overseas while restricting imports into Japan to virtually zero. Now the Japanese government has set its sights on another major industry: aircraft manufacture. The Japanese Ministry of International Trade and Industry is offering subsidies to get its industry involved in all phases--design, production, sales and service--of the next generation short-haul airliner. American companies, including Boeing and McDonnell Douglas, are actively courting the Japanese companies to help develop the aircraft.

Thus while Japanese companies are receiving government subsidies to develop their high technology and defense-related industry, American companies can't wait to move their operations abroad.

If the United States does not adopt a more realistic trade policy, the high-technology industries will be the next to leave the country.

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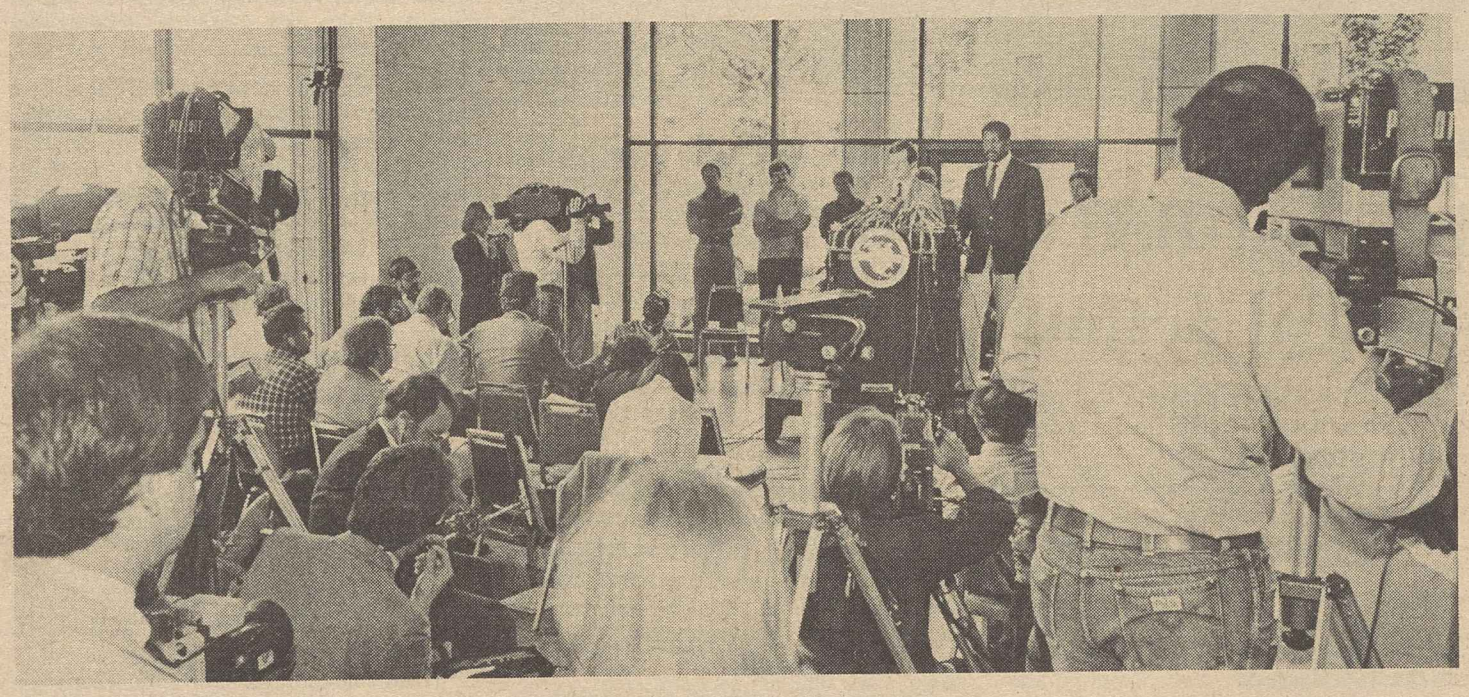
MEMO FROM COPE
PAGE 12

Double blow staggers economy



Solidarity kickoff

Top officers of the National Football League Players Association, backed by player representatives from several NFL teams, field reporters' questions at AFL-CIO headquarters. At the microphones are NFLPA Executive Director Ed Garvey and President Gene Upshaw. Federation Sec.-Treas. Thomas R. Donahue headed a team of AFL-CIO officials expressing labor's solidarity with the striking players.

New jobless claims surge, index slumps

By James M. Shevis

A double dose of discouraging economic news—a sharp spurt in new claims for unemployment insurance benefits and a steep drop in the government's closely watched index of leading indicators—disproves the Administration's claim that prosperity is just around the corner, the AFL-CIO charged.

"The clear message is that the Reagan Recession is deepening," Federation Research Director Rudy Oswald declared. "Administration rhetoric is not enough. The unemployed need jobs."

Oswald decried a situation in which a Republican-controlled Senate rejected a House-approved emergency funding bill to provide jobs for the hard-core unemployed while millions of Americans are searching for work. That happened this week as the Senate defeated the measure, 60 to 37, that would have put people to work rebuilding the nation's deteriorating roads and bridges and other public facilities.

Reagan's defense

Reagan, who has been sighting recovery from the 14-month-old recession for months now, spent a good part of his most recent news conference defending his economic program. But the latest economic data and the prospect of grimmer news to come combined to undermine his credibility.

Many economists in and outside the Administration expect the nation's current official jobless rate of 9.8 percent to reach 10 percent or more of the work force when the next government report on unemployment is released Oct. 8.

In his Sept. 28 White House news conference, Reagan conceded that "it is possible that we might touch 10 percent" unemployment. Anticipating bad economic news, Reagan also said that, "This coming month when the figures are released, we think that August has been in a kind of doldrums and it may show a dip. But that'll be a glitch."

The drop of nine-tenths of 1-percent in the Commerce Dept.'s index of leading economic indicators in August, combined

Continued on Page 3

Compromise on training moves through Congress

By David L. Perlman

A compromise employment training bill moved through Congress with bipartisan support, but there were stormy differences over other job-related legislation. And in a surprise move, the House planned to take up the controversial balanced budget constitutional amendment before adjourning for the election campaign.

The Senate defeated, 60-37, a labor-supported, House-passed bill that would have put more than 200,000 unemployed workers in temporary jobs to meet a backlog of local public works projects and neglected community services.

Temporary jobs aren't "meaningful," Republicans insisted.

"Recovery around the corner doesn't put bread on the table," Sen. Edward M. Kennedy (D-Mass.) countered as he urged adoption of the bill.

The Senate also defeated, by a closer 51-47 margin, an attempt to restore the extended unemployment benefits program that has been largely gutted by the cutbacks Congress enacted last year. **(Related story, this page.)**

The proposal, by Sen. Howard M. Metzenbaum (D-Ohio), would have restored the 13 weeks of extended unemployment benefits that is being wiped out by the new eligibility levels. It also would have continued the federal supplemental benefits of six to 10 weeks that Congress recently enacted as long as the national unemployment rate is 8.7 percent or higher. The emergency program otherwise will expire at the end of March.

Stopgap funding

Final action on a stopgap appropriations bill to continue funding for government agencies that have not received regular fiscal 1983 appropriations was expected to clear the way for adjournment of Congress, giving members seeking re-election a full month of campaigning time. A post-election "lame duck" session of Con-

Continued on Page 3

Football players pick up yardage in NLRB action

By John R. Oravec

Striking National Football League players gained additional yardage in their dispute with team owners as a National Labor Relations Board law judge found management guilty of unfair labor practices. Even so, the league's management council gave no indication that it was willing to get down to serious bargaining.

The ruling came in the wake of a strong show of solidarity with the NFL Players Association by the AFL-CIO and its affiliates.

Meanwhile, the union pressed ahead with plans for a series of all-star games, starting Oct. 10, in an effort to fill the void for sports fans who suffered through the first gameless weekend during a regular season in NFL history. The union's all-star games will be beamed nationwide

Continued on Page 4

Long-term jobless hit

New 'trigger' scuttling benefits

Despite high and rising joblessness, the extended benefits program that now provides 13 weeks of additional unemployment compensation eligibility in 23 states will be virtually wiped out in the weeks ahead.

The brunt of the cutback will be felt the last week in October, when at least nine and perhaps as many as 17 states will "trigger-off" the extended benefits program as a result of changes in the law that took effect Sept. 25. The changes were enacted by Congress last year at the urging of the Reagan Administration.

A new, temporary program of federal supplemental benefits that went into effect Sept. 10 will cushion the immediate impact for eligible workers in states that will be triggering-off the extended benefits program. But their total eligibility will nevertheless be reduced. The federal program, which will be discontinued at the end of March, applies in all states after a jobless worker's unemployment benefits have been exhausted.

Congress had previously abolished the national trigger for extended unemployment compensation, and Arleen Gilliam, an assistant director of the AFL-CIO Dept. of Social Security, said the quirks of the new law threaten to cut benefits in come of the hardest hit states, including Michigan where joblessness has been near Depression levels.

Complex formula

Until Sept. 25 the trigger level that brought states into the extended benefits program had been set at an insured unemployment rate (IUR) of 5 percent, or both 4 percent and 120 percent of the rate for the same period of each of the past two years, measured over a 13-week period. The IUR is always significantly lower than the overall unemployment rate.

After the September deadline, the state trigger went up to 6 percent of the insured rate, or 5 percent if the rate is 20 percent higher than in the previous two years.

"Added to the craziness" of raising the triggers at the height of the recession when workers are most in need of benefits, Gilliam said, is another recent change that excludes from the calculations of the insured unemployment rate those workers who have already been jobless for more than 26 weeks.

In addition, the new law requires that workers who exhaust their regular benefits must have had 20 weeks of qualifying employment in the base period to

Continued on Page 4

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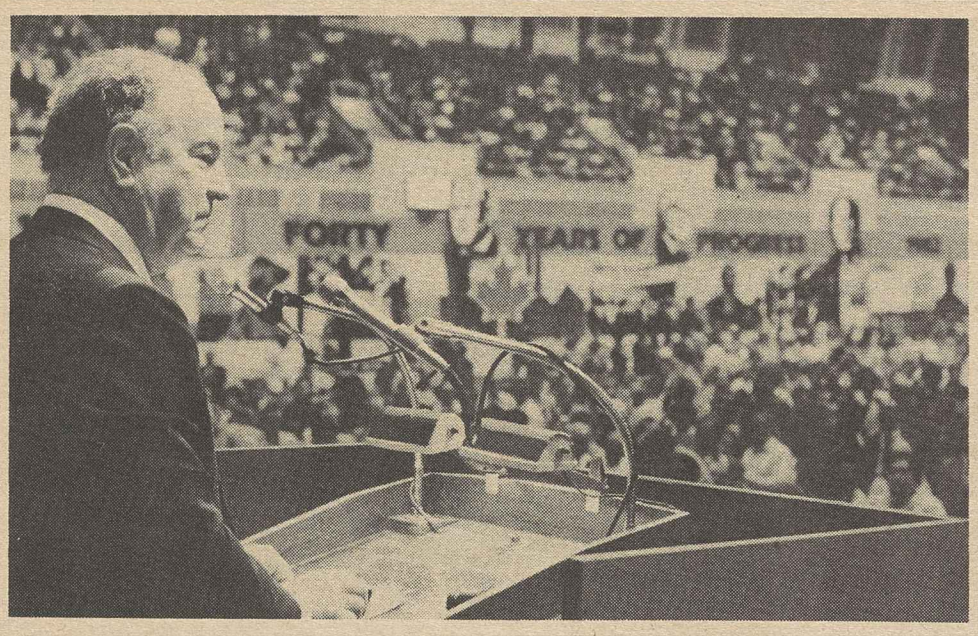


Steelworkers President Lloyd McBride keynotes convention.

Florida per cap boost tied to expanded political action

Orlando, Fla.—The annual meeting of the Florida AFL-CIO adopted a three-level per capita tax increase keyed to stepping up the state federation's political efforts.

A five-cent increase in the monthly per capita payment of affiliates will take effect Jan. 1, 1983, followed by increases of 2.5 cents each on June 1, 1983, and Jan. 1, 1984.

State AFL-CIO President Daniel J. Miller told the 325 delegates that "one year ago, President Reagan and the right-wing in this country were riding high," but today "the promised gold of supply-side economics has turned to dust. The economy is mired in a deep recession. Unemployment is at its highest level since World War II, and the budget deficit for next year is predicted to go as high as $140 billion."

Florida's labor movement, Miller asserted, is building "a powerful and unified movement that can change the lives of the working people of this state."

The delegates acted on 38 resolutions, among them a call for an improved workers' compensation law for the state, support for passage of the Equal Rights Amendment, creation of a "Florida 'Bill of Rights' for Workers," and a "right-to-know" law regarding hazardous chemicals in the workplace.

Other resolutions opposed the merger of federal civil service pension plans with social security and favored federal appropriations to continue operation of Amtrak at current levels.

Delegates endorsed Election Day, Nov. 2, as "Solidarity Day II" and called on working people to "march to the polls" to vote for federal and state candidates who will help revitalize the economy and support labor's goals.

Florida Democratic Rep. Claude Pepper, an outspoken advocate of the elderly and a critic of President Reagan's economic and social policies, dubbed the current Administration "the worst I've seen in my 34 years in Washington, the worst in my 82 years of life and probably the worst in the entire history of America."

Reagan's cuts in social security, jobs programs, housing, food and education programs have shown "that this is an Administration of the few, for the few and aimed at helping the few," Pepper charged.

Among other speakers were Florida Gov. Robert Graham (D), former Democratic Gov. Reubin Askew, Food & Commercial Workers Sec.-Treas. Anthony J. Lutty, and Dorothy Shields, AFL-CIO education director.

Food, fuel costs hold down rise in price index

Falling food and gasoline prices held the increase in the government's consumer price index to three-tenths of 1 percent iin August.

The increase, the smallest monthly rise since April's increase of two-tenths of 1 percent, lifted the index to a level 5.8 percent higher than a year earlier.

As a result of the slowing price rises, real weekly earnings inched up one-tenth of 1 percent in August after falling two-tenths of 1 percent in July. Over the year, however, they were down 1.3 percent. Real earnings represent income adjusted for inflation and seasonal factors.

The Bureau of Labor Statistics, which compiles the monthly price figures, attributed much of the slowdown in August to a sharp deceleration of the increase in the index's transportation component and a decline in food prices. Medical care and housing continued to increase. Good weather and the bountiful crops it produced pushed food prices down three-tenths of 1 percent in August. In July, food prices held steady. Price declines were recorded over the month for meats, eggs, and fresh fruits and vegetables.

Oversupply factor

The world oversupply of oil turned gasoline prices back, with August gasoline one-tenth of 1 percent cheaper. New and used car prices rose five-tenths and nine-tenths of 1 percent, respectively, however, leaving overall transportation costs three-tenths of 1 percent higher.

Interest rate declines, a reflection of the ongoing recession, helped hold down mortgage interest rates with the result that housing rose a moderate five-tenths of 1 percent.

The sharpest increase in the August CPI was for medical-care costs, up nine-tenths of 1 percent.

'Trickle-down' policies hit

Steel delegates hang recession on Reagan

Atlantic City—The 3,400 delegates to the 21st constitutional convention of the Steelworkers sharply and unanimously condemned the Reagan Administration's policies as directly responsible for the nation's current economic plight.

The convention theme, "Union Now, More Than Ever," was underscored in resolutions dealing with major economic and social issues, particularly the unemployment crisis that has been particularly devastating to steelworkers.

USWA President Lloyd McBride credited the Reagan Administration with triggering massive layoffs with its adherence to disproven "trickle-down" theories.

"The despair and anguish suffered by victims of unemployment cannot be tolerated in a caring, democratic society," McBride said. "If unemployment of such vast measure resulted from a mysterious plague whose causes and cures were unknown. perhaps we could reconcile ourselves to our sorrows. . . . But the American economy is not something apart from ourselves. It is our own creation. And its failures are first of all failures of national leadership."

AFL-CIO President Lane Kirkland drew a standing ovation when he defended the social progress made under Democratic presidents since 1933.

"We are still living off this capital created by federal programs that mobilized the nation's human resources to meet the nation's needs," Kirkland said. But he charged that today this human and financial capital "is being squandered by corporate buccaneers who move from market to market" around the globe.

'Boardroom buccaneers'

"They are depleting our common economic inheritance for short-term private gain, leaving behind a trail of exported jobs, deserted communities and broken lives," Kirkland charged. "Today these boardroom buccaneers, who fabricate golden parachutes for themselves, have their man in the White House and will continue their greedy ways as long as we let Reaganomics scatter our capital and erode our industrial base."

Kirkland said organized labor has "too great a stake in this land that labor built to idly watch the sapping of its skills, the erosion of its living standards and the unraveling of its social fabric—all in the interest of a narrow and mean-spirited ideology. Let us bend every effort to turn it around—on Nov. 2."

The delegates gave Sen. Edward M. Kennedy (D-Mass.) and former Vice President Walter Mondale rousing receptions when they accused the Reagan Administration of ushering the nation into the greatest economic calamity since the Great Depression of the 1930s.

Kennedy said the United States must take any steps necessary to "see that Americans in the 1980s and the 1990s will be buying American products made with American steel."

"At the same time," he stressed, "we must stop the ceaseless borrowing of tens of billions of dollars to pay for needless corporate mergers. There is something fundamentally wrong with a policy which permitted U.S. Steel to spend twice as much to buy Marathon Oil last year as it spent in the last five years for new plant and equipment in its mills."

Buying the election

Mondale struck a chord with the delegates when he charged that the huge campaign funds supporting conservative Republican candidates suggest an attempt to buy the election.

"Let's show them that the government of the United States is not up for sale," he urged. "It belongs to the people of this country and we intend to keep it in our hands."

A highlight of the convention came on the second day when the evening session was broadcast by Westar IV satellite. Delegates debated on the resolution dealing with the 1982 election before some 8,000 members gathered in 18 reception centers around the country. The telecast permitted employed and unemployed members along with retirees to look in on the convention.

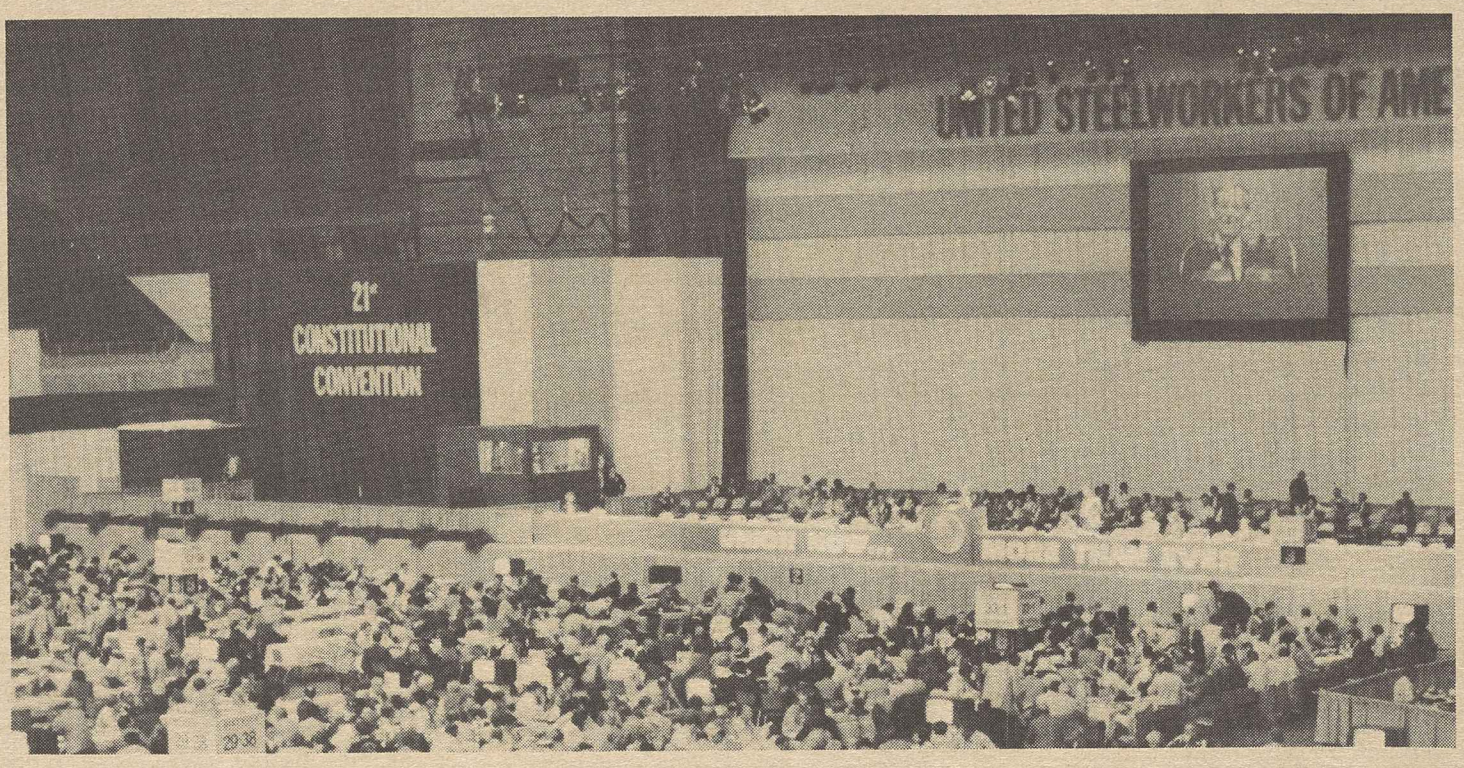
Several unemployed members featured in a 13-minute film clip called in to McBride at the convention hall to relate their frustrations at being out of work.

The teleconference also aired pre-produced film segments that included an eight-minute presentation on Reagan's "broken promises" and individual four-minute messages from Kennedy and Mondale.

Commercial tap-in

Aside from the USWA pick-up stations at union halls, several commercial television stations, TV cable systems and radio stations carried part or all of the two-hour satellite teleconference.

Most of the business of the convention was devoted to debating and discussing policy resolutions and proposed changes in the union's constitution. Of the 66 resolutions acted upon by the delegates, 26 involved policy action relating to the restoration of the economy.



Convention by satellite

Steelworkers' delegates deliberate a resolution on the 1982 elections with the participation of USWA members from 18 sites across the country through a telecast from the Atlantic City, N.J., convention hall. The transmission via satellite and cable hookups permitted unemployed and retired members to air their views during the two-hour teleconference. The giant screen above the dais was backed up with TV sets on the convention floor.

Coalition asks safeguards in disability cuts

The Save Our Security coalition has urged major reforms in the Social Security Administration's procedures for reviewing the eligibility status of persons receiving disability benefits.

More than 150,000 persons have been dropped from the benefit rolls since March 1981, and the review process has drawn strong criticism for sacrificing fairness to the goal of cost-cutting.

The agency recently announced minor changes in its review process in response to the criticism, but the labor-endorsed SOS coalition said these would be mere "window-dressing."

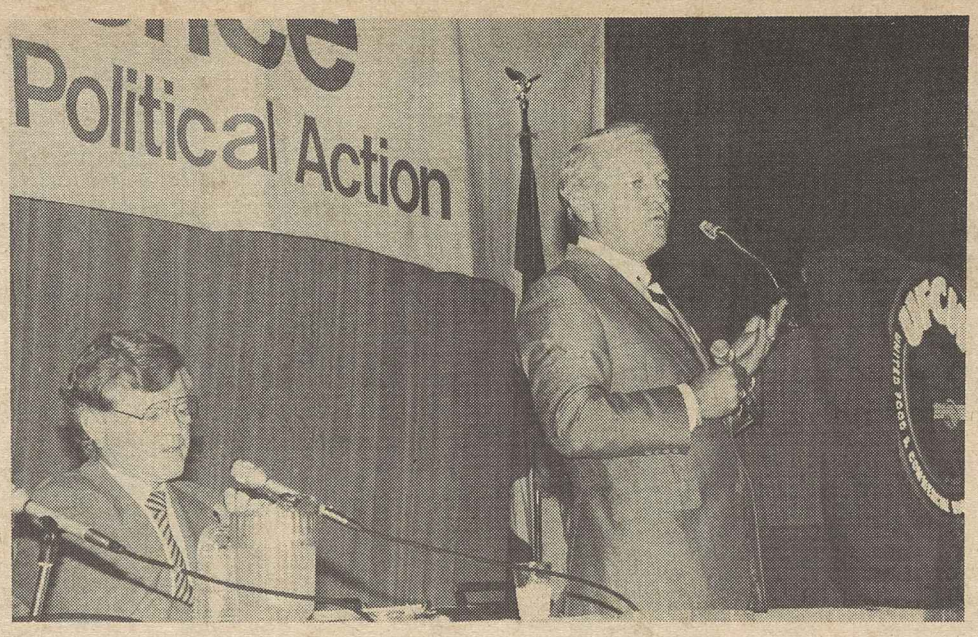
"These changes will not adequately protect the rights of the disabled," the coalition said. "Failure to make substantive corrections in the program will mean that hundreds o fthousands more disabled people will be cut from the rolls within the next year."

Bipartisan panel

Speaking for the coalition on the issue was a bipartisan leadership group of two former Secretaries of Health, Education & Welfare—Wilbur Cohen and Arthur Flemming—and former Social Security Commissioners William Driver and Charles Schottland.

They urged both regulatory and legislative changes that would:

- Continue the benefits of persons disqualified by the Social Security Administration until the agency's determination has been reviewed by an administrative law judge.
- Ban termination of benefits unless there is "substantial evidence" that the individual's condition has improved.
- Slow down the review process significantly—more than has been proposed by the agency—so that there will be no railroading of people off the rolls.
- Assure uniform procedures at all levels of the review proces.



Reject Reaganomics

Call for voter rejection of President Reagan's economic policies and his attacks on social programs was the unifying theme at the Food & Commercial Workers conference on women's affairs, civil rights and political action. Keynoting the two-day conference, UFCW President William H. Wynn branded Reagan "anti-women, anti-union, anti-poor, anti-minority." Sen. Edward M. Kennedy (D-Mass.), seated, told the 400 UFCW representatives that "we have only just begun to fight" for the 3 million jobs lost under Reaganomics.

Reagan recession deepens, new jobless claims surge

Continued from Page 1

with a recession-high 703,000 initial claims for state jobless benefits, seemed more than one-month aberrations to many observers, however.

The drop in the index, a closely watched signal of the coming ups or downs of the business cycle, was particularly discouraging because the benchmark figure rose in the four months preceding August.

The number of new unemployment insurance benefit claims was the highest since the Labor Dept. began keeping track of the data in their present seasonally adjusted form in 1967. The 703,000 new claims for the week ended Sept. 18 was an increase of 91,000 over the previous week.

The President's uneven record of forecasting the economy was further blemished by what Oswald found to be at least five misstatements by Reagan in his nationally televised press conference. These blunders included statements that his Administration has saved the nation from fiscal disaster, that joblessness grew faster under his predecessor's tenure, that "for four quarters we have seen a growth in the gross national product," and that there is a higher percentage of employed adults than under President Carter, and "an increase in real earnings" of workers.

The fact is that the federal budget deficit has nearly doubled in the past year, Oswald observed. And under Carter, unemployment fell from 7.8 to 7.3 percent in the last six months of 1980; since July 1981 under Reagan, the jobless rate has soared from 7.2 to the current 9.8 percent.

Instead of the four quarters of economic growth claimed by Reagan, real gross national product fell in two of the last four quarters, Oswald noted.

Reality distorted

As for a higher percentage of employed adults, there has actually been a drop since Reagan took office to 57.1 percent today, compared to 58.3 percent in January 1981 and 59.2 percent in January 1980. Instead of a rise, the government's latest report on real weekly earnings for non-supervisory workers showed a 1.3-percent decline in the past year.

The President "distorts reality," Oswald charged. "The AFL-CIO would like to keep the record straight."

In its report on August's leading indicators, the Commerce Dept. said five of the 10 measures reflected a negative performance. Led by a drop in building permits, they included a drop in raw materials prices, a shorter average workweek, higher claims for unemployment insurance, and a drop in new orders for consumer goods adjusted for inflation.

Indicators showing improvement were the pace of factory deliveries, stock prices, increases in orders for new plants and equipment, total liquid assets, and the money supply.

Kirkland stresses vital role of labor press in elections

Chicago—Labor editors have a crucial role in filling the gap left by the failure of the public press to expose the extremes of the Reagan Administration and its right-wing allies, AFL-CIO President Lane Kirkland warned.

Addressing the Auto Workers Editors Conference here, Kirkland said labor publications must explain to union members and their families how they have been targeted for Administration attacks.

Focusing on the coming November elections, Kirkland called on the 250 UAW editors to "hammer away at the truth with a sense of urgency, because the radical right has an agenda it wants to lock into place before the inevitable reaction from the mainstream of America sweeps them out of office."

Labor editors have to take on the added responsibility, he said, "because the public press has not subjected this Administration to the searching examination previous governments were given."

Kirkland noted that William Greider, who in 1981 exposed the folly of supply-side economics espoused by Budget Director David Stockman, recently wrote: "The tigers of the fourth estate, flattered and flimflammed by the President's media managers, are not really reporting what they daily observe about Ronald Reagan."

An achievable task

Although the task of the labor press is difficult, it can be achieved because of the labor movement's new spirit of unity, Kirkland said.

"We must mobilize our forces for direct action on Election Day, to turn out those who would do us in and fill Congress with men and women who will help us turn back the radical right."

Kirkland underlined the need to repel attempts of Reaganites to dismantle the social programs painstakingly developed over the last 50 years, citing their efforts to roll back social security benefits, prevailing wage rules, child labor regulations, job safety standards, and to reduce welfare and unemployment benefits while tolerating record-high joblessness.

Class divisions

"What is happening in this country is an attempt to create a class society—to divide working people from those who live on inherited wealth or speculation or on the stratospheric salaries and perquisites which management has voted itself," Kirkland asserted.

He noted that the labor movement has protested these policies since the Reagan Administration took office, even when that position was unpopular.

"But today, with record-high unemployment, with record-high bankruptcies among small businessmen, and with farmers holding penny auctions to avoid foreclosures, more and more voices are joining the chorus of opposition," he observed.

Over the years, Kirkland noted, too many Americans have gotten the feeling that the trade union movement and hard-won social progress were immune from the political attacks of the far right.

"Some forgot that the program of the radical right can be wrapped in pretty rhetoric and delivered in dulcet tones that will leave the unwary mesmerized," he said.

"In a real sense, this is a battle over communications. This is a struggle to see just how much distortion and deception can be delivered to the American people before they start rejecting it."

Hill approves training bill compromise

Continued from Page 1

gress is planned for late November, to complete action on appropriations and consider other pending bills.

A House vote over the constitutional amendment was anticipated for Oct. 1, after the conservative coalition mustered the 218 signatures needed on a discharge petition to take the amendment away from the House Judiciary Committee and bring it to the floor. Various alternatives were to be considered by the House at the same time.

The amendment, which has already passed the Senate, requires a two-thirds vote to pass.

Constitutional scholars and leading economists are almost unanimous in regarding the amendment as an affront to constitutional principles and a potential disaster to the economy. But White House strategists see it as a political gamesmanship to divert voters from the failure of Reaganomics and allow Republican candidates to attack Democrats who "vote against a balanced budget."

Helms gambit

Labor did win a clearcut victory as the Senate blocked an attempt by Sen. Jesse Helms (R-N.C.) to curb political action by unions.

Helms sought to make the Federal Election Commission responsible for seeing that dues collected under a union shop contract aren't used "for any political or ideological purpose."

The Senate squelched his proposed amendment to an appropriaitons bill by a vote of 62-37.

The job training bill that was near final approval as the AFL-CIO News went to press replaces the expired Comprehensive Employment & Training Act.

Unlike the earlier measure, it has no provision for public service employment. It earmarks 70 percent of funds for training, with 15 percent allowed for administrative costs and 15 percent for supportive services, which under some circumstances could include payments to trainees based on need. Governors would have a bigger say in the program, service areas would be communities with a population of 200,000 or more or a combination of smaller communities, and programs would be overseen largely by Private Industry Councils (PICs), to be headed by local business leaders with representation from other community groups. Funding levels are left to the congressional appropriations process.

Reagan embrace

The Administration had initially pressed for a more restrictive, smaller-scaled training bill. But as the recession crisis deepened, it bent somewhat to congressional pressures, and President Reagan embraced the final version warmly at his news conference.

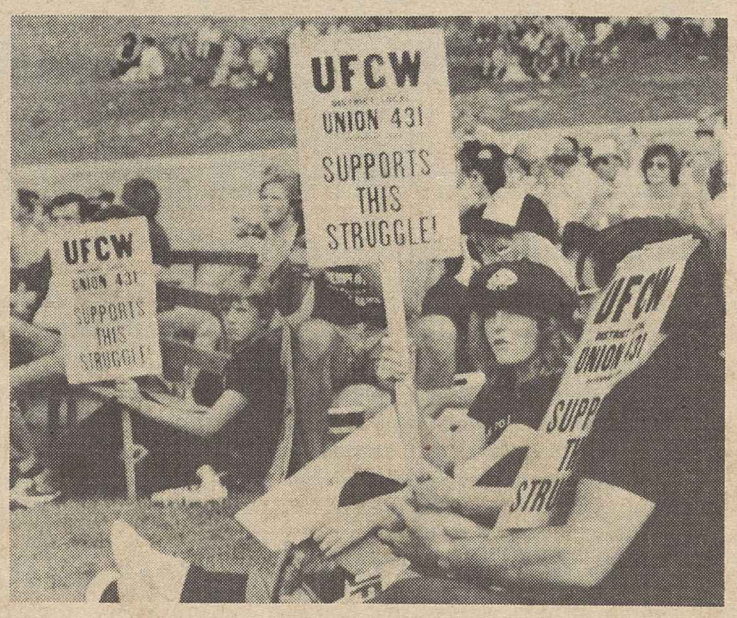
As Congress prepared to break for the election campaign, House and Senate Democrats scored two moral victories on non-binding resolutions. The House voted its opposition to Administration efforts to shift to the states responsibility for federal child nutrition programs, including school lunches. And the Senate voted 70-29 to oppose any need test for Medicare benefits, an idea reportedly being explored by the Reagan Administration.

Michigan rate still tops

Unemployment rates increased in 48 states and the District of Columbia between July 1981 and July 1982, the Labor Dept. reported.

Michigan, with 14.7 percent, and Alabama, with 14.5 percent, reported the highest jobless rates in the nation. The lowest rates were reported by South Dakota, with 4.5 percent, and North Dakota, with 4.6 percent.

Of 214 metropolitan areas reporting, 93 had unemployment rates equal to or above the national average over the year. The highest jobless rates were reported in Rockford, Ill., with 19.3 percent and Duluth-Superior, Minn., with 19.1 percent.



Caravan for Iowa strikers

Heavily armed Nebraska state troopers guard the strike-bound Iowa Beef plant at Dakota City as a horn-honking caravan of vehicles carrying trade unionists from five states arrives. They brought food and contributions of money from Iowa, Minnesota, South Dakota, Missouri as well as Nebraska in a demonstration of support for 1,500 members of the Food & Commercial Workers who have been on strike since June. More than 1,000 persons joined in a rally in nearby Sioux City spearheaded by the Nebraska AFL-CIO.

Striking NFL players gain yardage in Labor Board case against league

Continued from Page 1

over a satellite-cable television hookup.

In ruling against league management, NLRB Administrative Law Judge Julius Cohn held that owners violated federal labor law for refusing to furnish the union with copies of individual player contracts and with copies of the nonmonetary terms of NFL contracts with the three major TV networks.

Cohn ordered team owners to post notices of the findings with promises to provide the contract documents sought by the union.

NFLPA Executive Director Ed Garvey described the decision as a significant victory for the union. It will have added importance, he said, if the NLRB affirms the judge's findings and rules favorably on the union's other charges against owners, as well as declaring the union's action an unfair labor practice strike.

In that event, the club owners could not hire permanent replacements for the strikers.

In another development, an NLRB regional director issued a formal complaint against the Seattle Seahawks for violating labor law by cutting player representative Sam McCullum because of his union activities.

Bargaining sessions

Two collective bargaining sessions have been held since the strike began Sept. 15. The NFLPA contract with the league expired July 15.

Although the NFL management council contended the law judge's ruling was insignificant, it announced its intention to appeal.

Garvey first requested copies of the individual player contracts and TV contracts from the league in May 1981, saying that they were essential for the union's collective bargaining preparations.

After repeated refusals by management to release the documents the union filed the unfair labor practice charges in August 1981. Cohn heard arguments on the case last June.

The broad showing of support for the NFLPA's effort to negotiate a fair contract settlement came at a televised press conference at the AFL-CIO headquarters. Pledges of labor solidarity were delivered by AFL-CIO Sec.-Treas. Thomas R. Donahue and Executive Council members William H. Wynn and John J. Sweeney, as well as President Howard Samuel of the Industrial Union Dept.

Representing the players union were NFLPA President Gene Upshaw, Executive Director Garvey and player representatives from several NFL teams.

Tom Condon, player representative for the Kansas City Chiefs, said that many of his teammates who were newcomers to the labor movement received a lesson in union solidarity and sacrifice by walking a picket line with members of the Ladies' Garment Workers who had been on strike for 10 weeks.

"The AFL-CIO is the backbone of our resolve in this battle," Condon said. "You have shown us how to conduct ourselves in negotiations and in a strike, and we won't let you down."

Players prepared

Upshaw and Garvey reported that from all indications they have received from management's refusal to participate in serious negotiations, it could be a lengthy strike. They said, however, that the NFLPA members are fully prepared for it.

The NFLPA also expressed concern that the dispute could be prolonged by owners since they are receiving millions of dollars in payments from the TV networks without having to provide games.

The first of the union's 20 all-star games would be played at Robert F. Kennedy Stadium in Washington the second Sunday of October and the conclusion would be a championship game scheduled Dec. 19 at Aloha Stadium in Honolulu.

Sec.-Treas. Brig Owens of the Professional Athletes, the parent union of the NFLPA, is serving as the commissioner of the players' league. It is made up of one team from each of the NFL's six divisions.

Bill backed to develop data for capital spending budget

The AFL-CIO registered strong support of a bill before Congress that would develop comprehensive data on existing public-sector capital, the level of investment, and public capital needs.

Adoption of such a measure would allow a more rational approach to public capital spending by providing the basic data needed to set priorities at different levels of government AFL-CIO Assistant Research Director Arnold Cantor told a Public Works subcommittee headed by Rep. James Oberstar (D-Minn.).

Furthermore, Cantor said, the data-gathering would provide an objective assessment of the state of the nation's network of public facilities.

While there have been many studies on the nation's deteriorating public works, Cantor said, "we don't have a fully comprehensive inventory of public facilities and capital needs. The fragmentary evidence that does exist demonstrates that the nation's capital stock is on the verge of collapse."

Since the late Sixties, there has been a steep and prolonged decline in public-sector investment, he observed. Not only has this neglect of public construction reduced the services that flow directly from public facilities, but it has contributed to the underutilization of human resources, he said.

The 1981 trough in public construction expenditures coincided with the peak for total construction unemployment at 15.7 percent, he noted.

"A capital budget, as proposed in this legislation, would answer some of the misunderstandings of government spending by highlighting the fact that many so-called expenditures are in fact essential investments in the nation and represent national assets that generate a continuous stream of services of real value to the economy," Cantor stressed.

Wage, fringe pattern set in cotton accord

New York—The Clothing & Textile Workers ratified a new three-year agreement providing wage and fringe benefit gains for more than 25,000 employees in the shirt, pants, and cotton garment industry.

The settlement with two employer groups representing the major firms in the industry is expected to set the pattern for agreements with other companies involving an addiitonal 60,000 workers.

The new three-year contract, which provides a total of 85 cents in hourly increases over the length of the pact, replaces an agreement that expired Aug. 31.

ACTWU President Murray H. Finley and Sec.-Treas. Jacob Sheinkman termed the new contract "a fine settlement that meets many of the needs of the members, yet permits the employer to weather the bad conditions. This is a contract that is specially good when all the adverse Reaganomic factors are considered."

Ratification vote

Ninety-two percent of the workers in all sections of the country covered by the pact approved its terms. The settlement was the second major agreement negotiated by ACTWU this year. In March, the union approved a 38-month contract covering 70,000 workers in the men's and boys' clothing industry, raising their hourly wage $1.05 over the term of the agreement.

In the cotton garment pact, ACTWU negotiators retained a cost-of-living provision calling for maximum annual adjustments of 10 cents an hour in January 1983 and in January 1984.

Other contract improvements provide for increases in weekly sickness and accident benefits from $75 to $85 in the first year of the agreement, to $95 in the second year, and to $105 in the final year.

The new contract also provides jury duty pay for the first time, expands the categories of relatives for whom three days' bereavement pay will be given, liberalizes eligibility rules for pensions, and establishes a provision for voluntary political deductions from employees' paychecks.

Revised 'trigger' killing extended jobless benefits

Continued from Page 1

be eligible for the extended compensation.

In the case of Michigan, where the overall rate was reported at 14.7 percent in July, the insured rate—recently dropped from 6.02 percent to 5.98 percent. Yet the state is far below the 120-percent requirement that would allow extended benefits to be paid with a 5 percent insured rate.

The temporary program of federally-funded supplemental unemployment benefits provides 10 weeks of eligibility for persons who have exhausted their benefits in states that have paid extended benefits at any time since June 1, even if the program has since triggered off.

Qualifying states

By that criteria, 36 states plus Puerto Rico and the Virgin Islands have qualified for the full 10 weeks.

Of the remaining states, those with an insured unemployment rate of 3.5 percent or higher for the 13 weeks preceding the start of the program were entitled to eight weeks of federal benefit payments. New York, Wyoming and the District of Columbia were in this category when the program went into effect.

The other states, which will provide only six weeks of federal benefits, are Colorado, Connecticut, Florida, Georgia, Hawaii, Nebraska, New Hampshire, North Dakota, Oklahoma, South Dakota, Texas and Virginia.

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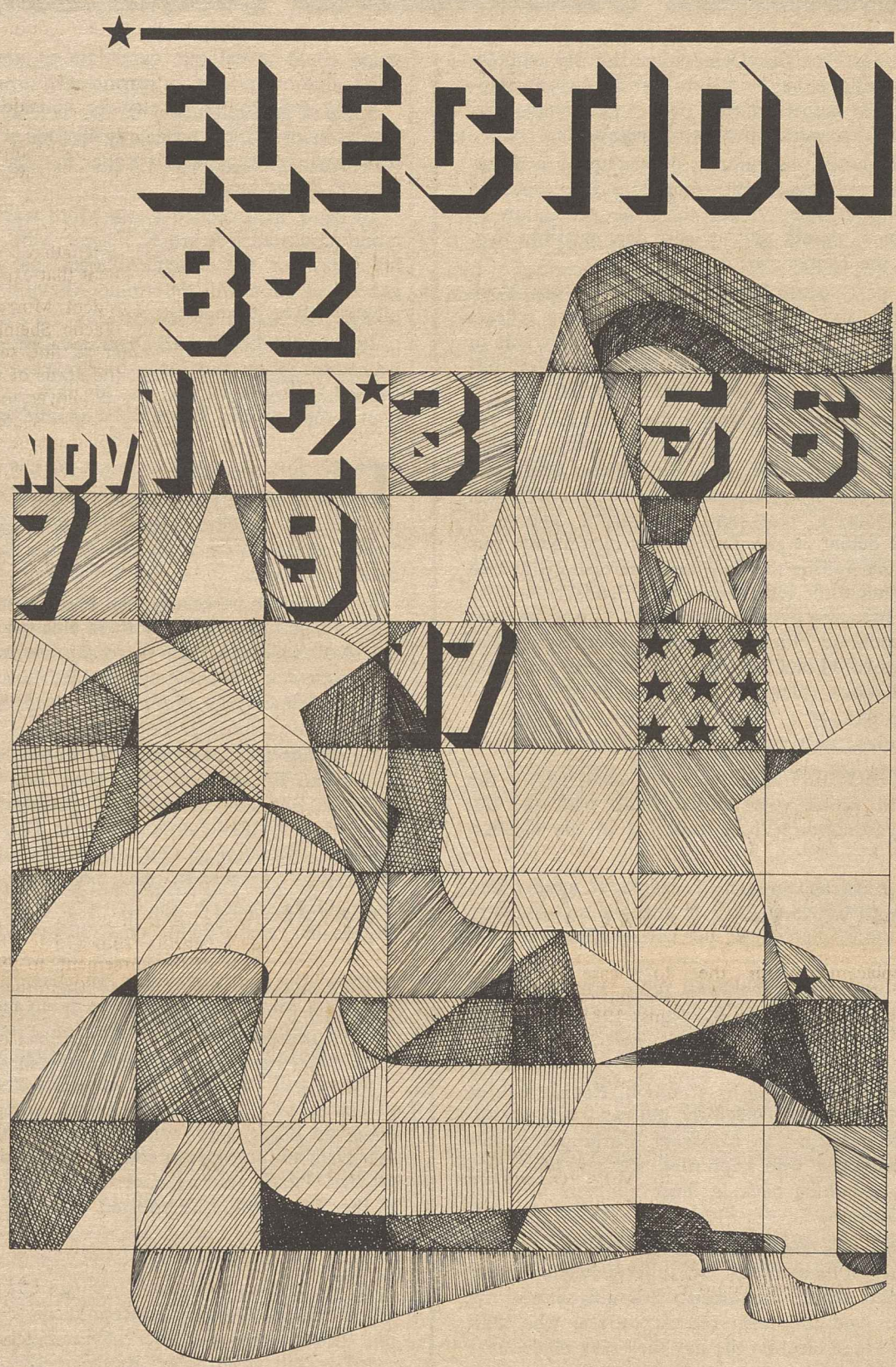


Americans will go to the polls on Nov. 2 for the first time since the election that put Ronald Reagan in the White House and elected so many of his supporters to Congress.

For the trade union movement, it is Solidarity Day II—the followup to the massive demonstration just a year ago that first signalled the dissatisfaction of ordinary Americans with the course their government was taking. The unemployment lines had already begun to lengthen. Labor standards and safety-health programs were being undermined. Trickle-down economics was enshrined as national policy.

Since then, unemployment has climbed to catastrophic levels, not seen since the Great Depression. But the conservative tilt of Congress and the veto power of the President have blocked effective measures to get America back to work and to relieve the spreading hardships of joblessness and poverty.

That's why the labor movement sees this "off-year" presidential election as so important.

THE ARTICLES in this pre-election issue of the Federationist examine realistically some of the facets of House and Senate contests and the unequal matchup of campaign funds.

The discussions of some key Senate and House contests are not intended as a handicapping chart, for the benefit of the political dilettante. The election is not a horse race.

To the labor movement, the halls of Congress and of the state legislatures are extensions of the bargaining table. The men and women workers elect to represent them in Congress will, collectively, have a lot to say about whether this nation has an economy that provides decent jobs or whether American industry will continue to wither away.

Will a healthy workplace be considered cost effective? Will a half-century of progress be rolled back?

That's what elections are about, as the labor movement sees it.

GOP Counting on Cash in Close Contests

By Ben Albert

In this election year, the media provides as much coverage of political cash as of political candidates. Small wonder. There is too much of it around to ignore. Not noticing the flood of political money would be like standing on the river bank and being unaware of the Mississippi.

Example: In California, two candidates contesting in a primary race for nomination to the *state assembly* poured out more than a million dollars between them, and one candidate for the Republican gubernatorial nomination in the state shelled out $5.44 million and *lost*.

The California election commission predicts total spending for all state offices will exceed $100 million by the time Nov. 2 rolls around—and while outlays in California will be perhaps untypically high, political spending in the other 49 states has soared since the 1980 elections.

Throughout the nation, U.S. House races costing $1 million are expected to be common this year (10 years ago, the average spent by a candidate for the House was in the range of $100,000). U.S. Senate campaigns in large population states will reach in combined cost to the candidates $7-$10 million, and gubernatorial contests in such states will hit the same levels.

IN MONEY TERMS, politics has become one of the nation's few growth industries, unaffected by the drag of Reaganomics on the rest of the economy. This year, total cost of all politicking for all offices at all levels will leave the billion dollar barrier far behind as a relic of campaigns past. Indeed, if California campaigns alone generate $100 million in spending, this year's overall total could surge well past $2 billion.

To what extent will it affect elections? Those most familiar with, and most awash in, political money—the Republicans—are counting on it to bail them out in many key congressional districts where their incumbents face marginal re-election situations.

GOP political strategists theorize that a vast funding differential between one candidate and his/her opponent will mean at least an additional two percent of the vote for the beneficiary of the big bucks. Because they're the ones who've got the money, the theory delights them.

Translated into campaign activities, money margins of such magnitude will provide three or four times as much TV-radio time and news-ad space; three or four times as much in the way of printed materials, of polling, of canvassing, of targeted get-out-the-vote efforts, and of other vote-getting election pursuits.

But even two percent actually adds up to a four percent differential—add two for the well-heeled candidate; subtract two from his less well-funded opponent. Since in almost any election year, 50 or more of House and Senate races are decided by 52 percent or less of the total vote (there were 55 in

Continued on Page 8

THE HOUSE:

POCKETBOOK ISSUES ENHANCE DEMOCRATIC PROSPECTS

By David L. Perlman

If Americans vote their pocketbooks in this recession-ravaged election year, effective control of the House of Representatives will slip away from the bipartisan conservative coalition that has rubber-stamped most of the Reagan Administration's economic program.

There are signs that the coalition is already fraying. Its success rate this year has been markedly lower than in the first session of the 97th Congress, when President Reagan's popularity was at its height and unemployment lines were shorter.

But mainstream Democrats still need a significant gain in House seats on Nov. 2 to compel the White House to deal with an opposition party in the shaping of legislation. A standoff, leaving the Democratic majority close to its present 243-192 margin, would shore up the alliance of Republicans and their boll weevil Democratic allies.

America's economic collapse has wiped out whatever faint hope Republicans may have had for breaking precedent and winning a majority of House seats in this mid-term election.

Republicans haven't controlled the House since the first years of the Eisenhower Administration, but that goal didn't appear totally out of reach in the warm afterglow of the 1980 election returns. That was the election that put Ronald Reagan in the White House and gave the Republicans a controlling majority of the Senate and a pickup of 33 House seats.

IN THE FIRST session of the new Congress, Reagan's legislative program moved through the titularly Democratic House as smoothly as in the Republican Senate. During 1981, according to Congressional Quarterly calculations, the conservative coalition triumphed 88 percent of the time when it was pitted against the Democratic mainstream in House votes.

The Republican political euphoria during 1981 wasn't just based on expectations of the President's continued popularity. It rested, more practically, on a congressional reapportionment that shifted seats from the industrial North to the more conservative Sunbelt and western states. And it assumed, with the rapid growth of corporate political action committees, that almost unlimited campaign funds would be available for Republican candidates.

Reapportionment should have been a Republican plus, with a shift of seats away from the industrial states of the North and from traditionally Democratic cities to more conservative suburbs. But Democrats proved at least as adept as Republicans in reshaping congressional districts—not just in the 10 states that lost a total of 17 House seats and the 11 states that gained one or more, but in states where boundary lines had to be changed to reflect population figures from the 1980 census.

OVERALL, the political pluses and minuses seem to balance out. Thus, Republicans who control the Indiana legislature were able to turn the state's loss of one of its 11 House seats into a probable two-seat loss for the Democrats. But the equally partisan redistricting by California's Democratic legislature may help elect four or five new Democrats in a state that gained just two House seats.

A Minnesota realignment, drawn up by a three-judge federal court with scrupulous adherence to population equality rather than the protection of incumbents, should add at least one, possibly two, seats to the Democratic column.

Each party controls one house of the New York legislature, and the state's reapportionment reflects that reality. The five-seat loss is likely to result in the elimination of two Democratic and two Republican congressmen, with one contest a tossup.

And sometimes economic realities intrude on political gamesmanship. Take Pennsylvania, which loses two House seats. The Republican legislature adopted a plan that on paper should have eliminated two Democratic seats and endangered others. In fact, the defeat of two Democratic incumbents was ensured by putting them in the same districts as two other Democratic incumbents. But Pennsylvania has taken a battering from Reaganomics. Given the state of the economy, there's at least a chance that Republicans could end up with a loss of three seats and the Democrats emerge with a one-seat gain.

THE BIGGEST question mark, obviously, is the extent to which voter unhappiness with the depressed economy will be reflected in the election returns.

Polls have shown a high degree of apathy and cynicism to Congress, and the turnout isn't likely to exceed the 36 percent of the voting age population that participated in the last two mid-term elections. Even in the 1980 presidential year, only 54 percent of Americans bothered to cast ballots. That's why all politically active groups put such stress on get-out-the-vote campaigns.

While ticket-splitting is common, Reagan's presence on the ballot obviously did help bring additional Republicans to Congress. Early polls show that Democrats who supported Reagan two years ago are switching back in large numbers to traditional loyalties.

Against this must be balanced the very strong advantage of incumbency. Most party switches come in districts where incumbents are not seeking re-election. And first-term representatives, who start running for re-election the day they take office, have actually proved less vulnerable than senior members of Congress lulled by a string of easy re-elections.

As in every election, there will be factors unrelated to national issues that will determine the outcome. Two years ago, several "safe" Democratic seats were lost to Republicans because of Abscam indictments or convictions. And a conservative Republican from Maryland considered certain of re-election lost his seat after a sex solicitation arrest.

THIS YEAR, there are other local issues that could upset computer predictions. In the "safely Republican" 43rd district of California, for example, a liberal Democrat could benefit from Republican unhappiness with their own candidate—a wealthy young businessman who pumped $592,000 of his own money into an abusive campaign that gave him a victory in a 10-candidate primary with 17 percent of the vote—and made him a lot of enemies. The runner-up in the GOP primary is waging a write-in campaign, and thus far has resisted pressure to abandon it. But in the same state, the author of the Democratic reapportionment plan, the staunchly liberal Philip Burton, is in a much tighter contest for re-election than anticipated.

Even in the more turbulent election years, most of the 435 House seats are safe for incumbents, regardless of party.

Only about 150 congressional districts are listed by COPE—the AFL-CIO's Committee on Political Education—as either marginal or in the "to be watched" category, where the progress of a campaign could reveal one candidate as unexpectedly vulnerable or another as surprisingly strong.

Some of the preliminary battles have already been fought in primaries, especially in Democratic contests involving incumbents under fire for their support of Reaganomics.

In Ohio, incumbent Ronald Mottl was beaten by labor-supported Edward F. Feighan who challenged his votes for the Reagan budget last year. The general election will determine whether the liberal pickup will be permanent.

In Georgia, boll weevil Democrat Billy Lee Evans was upset in his bid for a fourth term by COPE-backed J. Roy Rowland, who hit hard at the incumbent's support for Reagan's economic program.

TO TOP IT OFF, Rowland will get a free ride in the general election. Republicans, assuming that Evans would be renominated, did not run a candidate of their own.

In the South especially, the black vote is potentially a significant factor both in electing more progressive candidates than the region normally sends to Congress and in bringing even the more conservative candidates to a more moderate political position.

Normally, the voting records of Mississippi Democrats and Republicans have been only marginally different. But that changed in a special election last year when COPE-endorsed Wayne Dowdy won a previously Republican seat with strong support from the district's 45 percent black population.

On 11 key votes in the first session of Congress, Dowdy had eight "right" on COPE's scorecard, by far the best of the Mississippi delegation. His re-election appeared threatened this year by the candidacy of a black who is running as an independent. But the district's black leaders have strongly endorsed Dowdy, and polls are encouraging.

There will be a national spotlight also on Mississippi's 2nd congressional district, where a labor-endorsed black state legislator, Robert Clark, won the Democratic nomination in a racially divided district. That's another case where the political tilt of the House could be affected without a change in parties.

WHILE Democratic-Republican contests are not always liberal-conservative matchups, party switches will nevertheless be the measuring rod for this election and will shape public perception of the outcome.

Mid-term elections are expected to result in at least a modest gain by the party that does not hold the White House, although historically the shift has been less in the first election after a new president has taken office.

Certainly, a single-digit Democratic pickup would be seen as a Reagan victory. A gain of 10 to 15 seats would be regarded as a normal off-year pattern, and it would take an analysis of the changes to determine whether it would leave the conservative coalition significantly weakened. A gain of more than 20 seats would send a clearer message to Congress; the bigger the pickup, the louder the message.

As was demonstrated in the two sessions of this Congress, the size of the conservative coalition fluctuates with the perception by a swing group of moderate-to-conservative Democrats and the more liberal-leaning Republicans of public opinion in their districts.

DURING REAGAN'S first months in office—a honeymoon period extended somewhat by the reaction to the wounding of the President in an assassination attempt—election-jittery House members were reluctant to challenge him.

House Democrats time and again sought to stave off defeat by proposing tax and budget alternatives that were almost as far from the concept of fairness

Continued on Page 8

THE SENATE

STRENGTH OF INCUMBENTS MAKES MAJOR SHIFT UNLIKELY

By Rex Hardesty

The arithmetic of the 1982 Senate races favors the Republicans. The GOP has only 13 seats to defend to 19 for the Democrats, diminishing Democratic chances of a dramatic gain like recapturing Senate control which would require winning 24 of the 33 races.

But there's not much reason to expect further Republican gains, either. The lofty Republican forecasts of late 1981 and early 1982 have faded as the Reagan Recession has deepened.

This class of 33 senators is where the Republican takeover of the Senate started with the defeat of five Democratic incumbents in 1976. Five more were ousted in 1978 and eight in 1980 as the GOP total grew from 38 seats to 54.

In 1976, Democratic incumbents were ousted by S. I. Hayakawa of California, Harrison Schmitt of New Mexico, Orrin Hatch of Utah, Malcolm Wallop of Wyoming and Richard Lugar of Indiana. Democrats have mounted a reasonable 1982 challenge for all of those seats and aren't conceding the seats held by less conservative Republican incumbents like John Danforth of Missouri and David Durenberger of Minnesota.

THE CHALLENGE is especially strong in Utah, where Salt Lake City Mayor Ted Wilson trails Hatch by only 10 percent, a lead an incumbent should have on Oct. 1, even without the heavy expenditures Hatch has already made on advertising. Similarly, Democratic Rep. Floyd Fithian is gaining in Indiana as Lugar, like a lot of Republicans, has trouble explaining his party's and his President's position on social security.

Democrats Jeff Bingaman in New Mexico, Rodger McDaniel in Wyoming, Harriet Woods in Missouri and Mark Dayton in Minnesota are in struggles that are as uphill as normal against incumbents.

In addition to California, only New Jersey and Virginia have races without an incumbent.

In New York, the upset win by COPE-endorsed Mario Cuomo in the state's Democratic gubernatorial primary should provide momentum for Nov. 2, with Cuomo and Sen. Daniel Patrick Moynihan providing a strong pair of proven vote-getters.

Delaware also has a strong pair of labor-endorsed Democrats. Democratic Senate nominee David Levinson, a homebuilder, is running against Sen. William Roth, co-author of the Kemp-Roth tax theory, and is making the most of it. The House nominee, also running state-wide, is Thomas Carper.

The New Jersey Senate nominee is Frank Lautenberg, another Democratic businessman disillusioned with Reaganomics. Lautenberg is the son of a Paterson silk mill worker, has strong labor backing, and will be in one of the nation's most watched Senate races because the Republican nominee is 72-year-old Millicent Fenwick, who has had President Reagan in to campaign for her. The National Organization of Women (NOW) endorsed Lautenberg.

In Maine, labor's candidate, Democratic Sen. George Mitchell, has an opponent in Rep. David Emery who the polls say was ahead early, but labor observers are convinced the race will be near even by Nov. 2 because of the effective campaign being waged by Mitchell.

For Sen. Edward M. Kennedy in Massachusetts, the only question appears to be whether his margin over Republican Raymond Shamie will be big enough to have national impact.

IN CONNECTICUT, the labor verdict was no endorsement, narrowly, in the state COPE voting. So Sen. Lowell Weicker and Democratic Rep. Toby Moffett will each have some unions supporting them.

The other two New England seats are held by Republicans Robert Stafford of Vermont and John Chafee of Rhode Island.

Julius Michaelson, labor attorney before he was attorney general, brings impeccable labor credentials to his race against Chafee, who has put some distance between himself and the White House on economic issues.

Former Sec. of State James Guest is the labor-endorsed Democrat against Stafford in Vermont. Stafford is favored, but Guest is keeping it close.

Election night returns on Senate races from the eastern time zone states of Virginia and West Virginia could give early indications of the national referendum on Reaganomics.

In Virginia, very conservative Democrats and a growing number of Republicans had dominated the election results until last year, when Gov. Charles S. Robb and Lt. Gov. Richard Davis won handily. Now, Davis is running for the Senate, with labor's backing, against GOP Rep. Paul Trible.

WEST VIRGINIA, by contrast, had one of the nation's most progressive congressional delegations until two years ago when two conservative Republicans won House seats. One of them, Cleve Benedict, is now running for the Senate against Minority Leader Robert Byrd.

Maryland has one of NCPAC's earliest targets, Sen. Paul Sarbanes. Using a "too liberal for Maryland" tag, the right wing has poured money into the state against Sarbanes, whose 97 percent "right" record on the labor scorecard is the nation's best. He has risen to the challenge with a spirited and effective counterattack. His opponent is Larry Hogan, a former officer of the bitterly anti-union Associated Builders & Contractors.

Two other Democratic incumbents with labor records above 90 percent are Howard Metzenbaum of Ohio and Don Riegle of Michigan.

Metzenbaum's opponent is Paul Pfeifer and Riegle's challenger is former Congressman Phil Ruppe.

In early 1982, when a confident White House was predicting a gigantic takeover of the Senate because of the top-heavy number of Democratic seats to be defended, liberals like Sarbanes, Metzenbaum, Riegle and William Proxmire of Wisconsin were obvious targets. But as the campaigns started, all four were favored to be re-elected.

THE 11 STATES of the Confederacy have only four Senate races. For labor and liberals, the stakes are the biggest in Tennessee, where Democratic Sen. Jim Sasser faces his first re-election bid. His opponent, Rep. Robin Beard, is one of the state's most conservative figures.

Other southern Senate seats were being defended by Democrats Lloyd Bentsen in Texas, Lawton Chiles in Florida and John Stennis in Mississippi. Age will force Stennis, 81, to run one of his first real campaigns in decades, but it would take a major upset to oust any of the three.

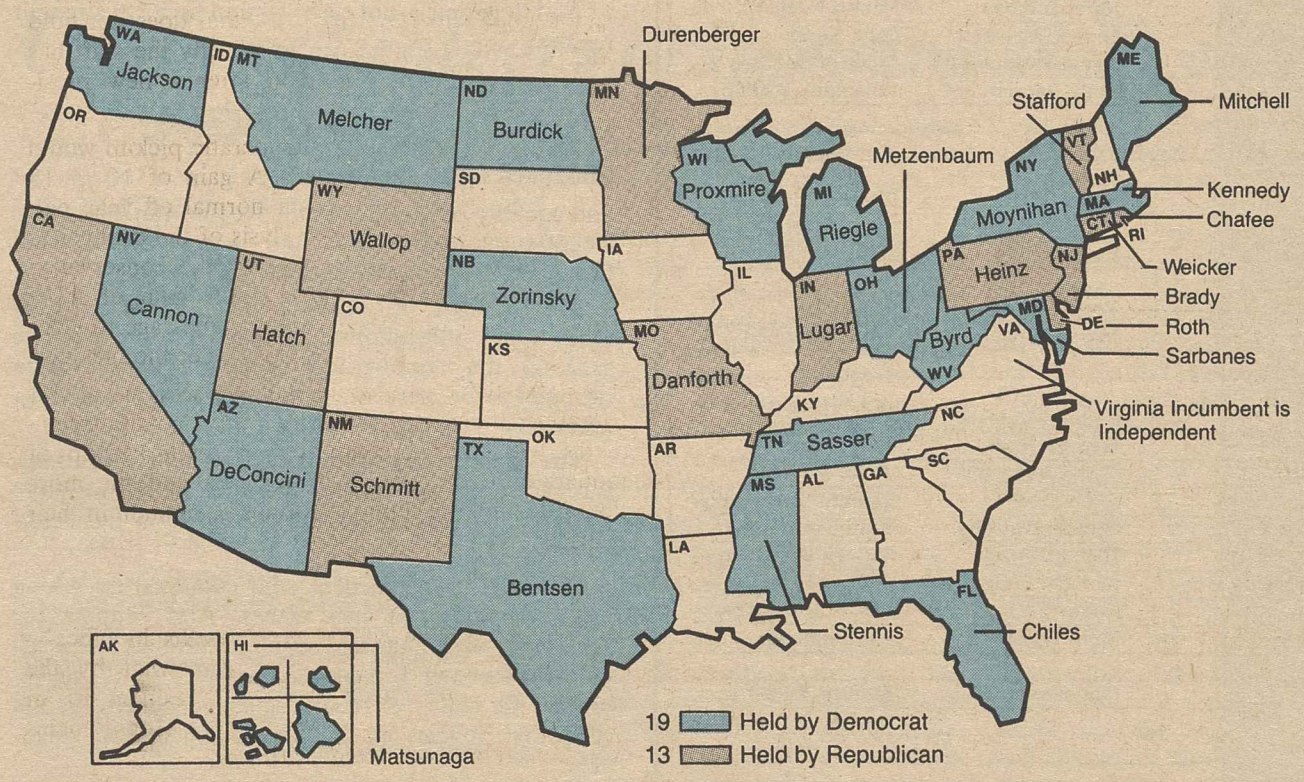
Senators Quentin Burdick of North Dakota, Howard Cannon of Nevada, Edward Zorinsky of Nebraska, Dennis DeConcini of Arizona and John Melcher of Montana are part of a diminished breed. The current Republican edge in the Senate can be traced directly to 1978 and 1980 defeats of Democrats in the plains and mountain states.

No such clear-cut routing of Democrats is likely this time. Cannon may be in the closest race but his general election opponent, Chris Hecht, is not expected to be any tougher than the primary, when Cannon beat conservative Rep. Jim Santini by 3,000 votes with major help from labor. DeConcini and Melcher have labor's backing in what appears to be strong re-election bids. Labor made no endorsement in Nebraska.

TWO OF LABOR'S strongest allies are in the Far West—Henry M. Jackson of Washington and Spark Matsunaga in Hawaii. An upset of either would be of earthquake proportions.

The California campaign went into October with Democratic Gov. Jerry Brown reported by the Los Angeles Times poll to have moved from 17 percentage points to only four behind his GOP opponent, San Diego Mayor Pete Wilson. Wilson, too, is having trouble explaining the Republican Party's record and his own position on social security.

The 1982 Senate Elections



Incumbents not seeking re-election are Republicans Hayakawa of California, and Brady of New Jersey, and Independent Byrd of Virginia.

GOP Counting on Cash in Close Contests

Continued from Page 5

1980), the virtues of a money-bought four-point advantage are obvious.

But, then, so are the vices, and this is one reason for all the whoop and holler this year about campaign financing. But there are others, chief among them the sheer quantity of cash pouring into the whole campaign process.

Three Republican party committees alone—the national committee and the GOP House and Senate campaign committees—originally set 1982 budgets totaling among them $100 million for their party's candidates. They exceeded that figure long ago. By June 30, the Federal Election Commission reports they had raised $146 million.

In addition, corporate, trade group, and right-wing PACs will shovel some $75 million into the campaigns of their favored candidates—mostly conservatives and ultra-conservatives. Not all of this will be in the form of direct contributions to the candidates. As much as $10 million will be spent on so-called "independent expenditures" campaigns, a legal political tool primarily used by right-wing PACs to discredit incumbents on their "hit lists."

(The tactic was used with devastating effect in 1980, when independent expenditure smear campaigns by rightist PACs helped unseat such long-time incumbent friends of workers and unions as Senators Frank Church, Birch Bayh, John Culver, George McGovern.)

The kind of money that's floating around this year provides GOP Sen. Orrin Hatch, for example, $1,368,500 in receipts through June 30 (with much more to come) to campaign for re-election in Utah, where only 580,000 persons voted in the 1980 presidential race and far fewer will vote this year.

It allows for $814,000—again just through June 30, with more coming—to Sen. Harrison Schmitt (R) to run for re-election in New Mexico where only 440,000 persons voted in 1980.

Also through June 30, $627,550 flowed into the re-election campaign of Sen. Malcolm Wallop in Wyoming, where only 172,000 voted in 1980.

FOR EACH of the three right-wing incumbents, PAC money makes up roughly a third of total receipts—Hatch, $495,000; Schmitt, $254,000; Wallop, $286,000.

Placed alongside the GOP campaign committees and their corporate, trade group and right-wing support PACs, in the funding end of politics, the Democrats and labor PACs are as midgets to mammoths. If the Democratic National Committee and its House and Senate campaign committees are able to scrub up as much as $20 million for their candidates, no one will be more surprised than they.

Labor PACs in aggregate should reach the $16-$17 million range, a healthy but not breathtaking increase from the $14.3 million contributed to endorsed candidates in 1980.

The explosion in political money was detonated largely by election law changes in the mid-1970s that encouraged formation of corporate and non-party, non-candidate PACs. The latter have been mainly right-wing political committees.

Once given the green light, corporations hit the accelerator and from a standing start six years ago have organized 1,520 PACs. They will contribute about $30 million to candidates this year. The figure probably will be matched by the more than 600 trade association PACs.

Also from scratch, some 400 right-wing and single-issue PACs have been organized in the past six years. While their direct contributions to candidates won't match the corporations or trade groups, their "independent expenditures" campaigns—which are as good as direct contributions—plus their donations, will fall into the $15-$20 million range.

Labor committees number 372. Only a relative handful of them can generate substantial assistance to a large number of endorsed candidates.

The funding margin between labor PACs and opposition PACs can only grow. While unions can and will increase collections of voluntary political contributions by members through check-off, they will not keep pace with the increased numbers of opposition PACs or with their burgeoning receipts.

Political funding is expanding geometrically. Large segments of the public and many political figures and commentators are concerned that elections are being converted into auctions. Others fear that candidates are being "bought" by PAC money, and if not the candidates, then the seats they're seeking.

Long before the time when corporate, trade and right-wing PACs burst past labor PACs in the money chase, the AFL-CIO urged that rational steps be taken to prevent money from becoming decisive in politics.

For years, the AFL-CIO has urged that House and Senate campaigns be financed from federal funds, as presidential campaigns now are. As an interim step, the AFL-CIO supported lowering maximum allowable contributions by PACs to candidates (currently $5,000 for a primary and another $5,000 for a general election) and severely restricting the aggregate total any candidate may accept from PACs.

IN 1973, the AFL-CIO told Congress: "We want the Congress to put the AFL-CIO out of the business of making campaign contributions. We would be delighted if the AFL-CIO never had to raise another dime for a candidate."

One of these years—but not this one—public revulsion over the magnitude of the sums being spent on elections and the implications of such spending will coincide with a Congress and President willing to do something about the matter.

Until this happens, union PACs will simply have to try to cling at least close enough to the corporate, trade and right-wing political committees in funding to keep endorsed candidates competitive with their lavishly bankrolled opponents.

But more importantly, union political programs—which are based on people, anyhow, and not on money—will have to move forward apace to offset the insurmountable money margins opposition candidates can count on. In the end, it's people—not cash—who pull the levers in the voting booths across the land.

And in people—not cash—union political strength resides.

THE 1982 ELECTIONS

U.S. CONGRESS

SENATE

Democrats	19
Republicans	13
Independent	1
Total	33

HOUSE

Democrats	241
Republicans	192
Vacancy	2
Total	435

THE STATES

GOVERNORS

Democrats	20
Republicans	16
Total	36

Democrats	Republicans	House Demo-GOP	States	House Change from Census	Democrats	Republicans
		4-3	Alabama		George Wallace	Emory Folmar
		0-1	Alaska		Bill Sheffield	Tom Fink
Dennis DeConcini	Pete Dunn	2-2	Arizona	+ 1	**Bruce Babbitt**	Leo Corbet
		2-2	Arkansas		Bill Clinton	**Frank White**
Jerry Brown	Pete Wilson	22-21	California	+ 2	Tom Bradley	George Deukmejian
		3-2	Colorado	+ 1	**Richard Lamm**	John Fuhr
Toby Moffett	**Lowell Weicker**	4-2	Connecticut		**William O'Neill**	Lewis Rome
David Levinson	**William Roth**	0-1	Delaware			
Lawton Chiles	*	11-4	Florida	+ 4	**Robert Graham**	Skip Bafalis
		9-1	Georgia		Joe Frank Harris	Bob Bell
Spark Matsunaga	Clarence Brown	2-0	Hawaii		**George Ariyoshi**	Andy Anderson
		0-2	Idaho		**John Evans**	Phil Batt
		10-14	Illinois	— 2	Adlai Stevenson	**James Thompson**
Floyd Fithian	**Richard Lugar**	6-5	Indiana	— 1		
		3-3	Iowa		Roxanne Conlin	Terry Branstad
		1-4	Kansas		**John Carlin**	Sam Hardage
		4-3	Kentucky			
		6-2	Louisiana			
George Mitchell	David Emery	0-2	Maine		**Joseph Brennan**	Charles Cragin
Paul Sarbanes	Larry Hogan	7-1	Maryland		**Harry Hughes**	Robert Pascal
Edward Kennedy	Raymond Shamie	10-2	Massachusetts	— 1	Michael Dukakis	John Sears
Donald Riegle	Philip Ruppe	12-7	Michigan	— 1	James Blanchard	Richard Headlee
Mark Dayton	**David Durenberger**	3-5	Minnesota		Rudy Perpich	Wheelock Whitney
John Stennis	Haley Barbour	4-1	Mississippi			
Harriet Woods	**John Danforth**	6-4	Missouri	— 1		
John Melcher	Larry Williams	1-1	Montana			
Edward Zorinsky	James Keck	0-3	Nebraska		Robert Kerrey	**Charles Thone**
Howard Cannon	Chic Hecht	1-0	Nevada	+ 1	Richard Bryan	**Robert List**
		1-1	New Hampshire		**Hugh Gallen**	John Sununu
Frank Lautenberg	Millicent Fenwick	8-7	New Jersey	— 1		
Jeff Bingaman	**Harrison Schmitt**	0-2	New Mexico	+ 1	Toney Anaya	John Irick
Patrick Moynihan	Florence Sullivan	22-17	New York	— 5	Mario Cuomo	Lewis Lehrman
		7-4	North Carolina			
Quentin Burdick	Gene Knorr	1-0	North Dakota			
Howard Metzenbaum	Paul Pfeifer	10-13	Ohio	— 2	Richard Celeste	Clarence Brown
		5-1	Oklahoma		**George Nigh**	Tom Daxon
		3-1	Oregon	+ 1	Ted Kulongoski	**Victor Atiyeh**
Cyril Wecht	**John Heinz**	12-13	Pennsylvania	— 2	Allen Ertel	**Richard Thornburgh**
Julius Michaelson	**John Chafee**	1-1	Rhode Island		**Joseph Garrahy**	Vincent Marzullo
		2-4	South Carolina		**Richard Riley**	William Workman
		1-1	South Dakota	— 1	Michael O'Connor	**William Janklow**
Jim Sasser	Robin Beard	5-3	Tennessee	+ 1	Randy Tyree	**Lamar Alexander**
Lloyd Bentsen	Jim Collins	19-5	Texas	+ 3	Mark White	**Bill Clements**
Ted Wilson	**Orrin Hatch**	0-2	Utah	+ 1		
James Guest	**Robert Stafford**	0-1	Vermont		Madeliene Kunin	**Richard Snelling**
Richard Davis	Paul Trible	1-9	Virginia			
Henry Jackson	Doug Jewett	5-2	Washington	+ 1		
Robert Byrd	Cleve Benedict	2-2	West Virginia			
William Proxmire	Scott McCallum	5-4	Wisconsin		Anthony Earl	Terry Kohler
Rodger McDaniel	**Malcolm Wallop**	0-1	Wyoming		**Ed Herschler**	Warren Morton

*Primary not completed
Incumbents in **bold** type

... The House

Continued from Page 6

and equality of sacrifice as the Republican approach. Labor-supported budget and tax proposals were beaten by two-to-one margins that year.

But in 1982, as unemployment climbed to 10 million and polls showed the president's popularity sagging, the conservative coalition victory ratio dropped to 55 percent, as tallied through mid-September.

The membership of the House hadn't changed. But the sensitive political antennae of its members were picking up a different message from their constituents.

Suddenly, the President who could do no wrong was overridden on two vetoes. And support for such right-wing panaceas as a constitutional amendment to compel a balanced budget shrunk visibly against the reality of record deficits generated by the economic policies of the amendment's chief advocate.

Some five weeks before the Nov. 2 election, the political signposts point to a Democratic gain large enough to make the new 98th Congress more than a carbon copy of its predecessor.

Full employment goal

Labor stresses need for industrial policy

The United States cannot write off major industries, as the Reagan Administration is doing, without paying for it dearly in the future, the AFL-CIO warned.

"Nor can whole cities and regions of the country be allowed to decay without serious social and economic consequences," Federation Research Director Rudy Oswald told a House Banking subcommittee.

Oswald stressed that the nation must remain a diversified industrial country and said that this can best be accomplished through the active participation of government, labor, and industry in a major reindustrialization effort.

"It is time for the United States to formulate a national industrial policy and abandon the irrational attachment to policies that threaten to bring about the wholesale condemnation of entire industries and regions," Oswald declared in testimony before the Economic Stabilization subcommittee chaired by Rep. James Blanchard (D-Mich.).

Oswald said the AFL-CIO rejects the Administration's attempt to cast government as the whipping boy, attacking government spending, government deficits, government taxes, government borrowing, and government employees.

"They are not the cause of every problem that can be identified as the Administration would have the people believe," he said. "The solution to America's problem is not to hamstring the federal government by cutting its programs and its sources of income and weakening or undermining its laws, regulations, and standards used to protect health, safety, civil rights, and the environment."

Rather, what the country needs are policies, including an industrial policy, that meet the nation's needs for full employment and expanded non-inflationary production, he said.

"Reaganomics, instead of providing the promised instant economic recovery, has plunged the nation into the worst recession since the Great Depression," Oswald pointed out.

Crucial role

"In the headlong drive to bestow massive tax cuts upon private business, while cutting government capital programs, the Administration is ignoring the crucial importance of the nation's infrastructure to private sector productivity," he added.

"The deterioration of public facilities must therefore be reversed if we are to be able to rebuild our industrial base."

With that objective, he noted, the AFL-CIO has proposed creation of a tripartite national reindustrialization board made up of representatives of labor, business, and government. Its mission would be to develop a balanced program to insure the revitalization of the nation's sick industries and decaying communities, while at the same time encouraging the development of new industries with promise for the future.

Private pension funds could be encouraged to make investments in such financing arrangements to support and expand industrial employment in the United States.

Legislation

Oswald said the AFL-CIO's proposed industrial policy could be implemented through the combination, with some modification, of three bills that have been introduced in Congress.

One, by Rep. Joseph G. Minish (D-N.J.), would establish a National Development Bank. A bill introduced by Rep. Frank J. Guarini (D-N.J.) would re-establish a Reconstruction Finance Corp.

A third measure, introduced by Rep. Stanley N. Lundine (D-N.Y.), should be broadened to provide for a National Industrial Development Board, with appropriate authority to effectively recommend overall as well as specific industrial policies for the country. The board, of about 15 members, would consist of members from government, business, and labor.

Kirkland condemns massacre in Beirut

The brutal massacre of Palestinian men, women, and children in Beirut last month is "another chapter in the continuing tragedy of civil strife" which has claimed 100,000 lives in Lebanon over the past decade, the AFL-CIO said in a statement condemning the act.

"The worldwide revulsion it has evoked must be turned against the vicious terrorism that has been the special hallmark of the conflict in the Middle East, and that has been openly espoused as an appropriate tactic by the Palestine Liberation Organization and its supporters," Federation President Lane Kirkland said.

An objective and impartial investigation of the Beirut massacre is needed, Kirkland said. But what is more important if such tragedies are not to recur, he stressed, is rapid progress toward the reconstruction of Lebanon and the creation of an independent and stable central government capable of maintaining order.

Kirkland noted that the AFL-CIO Executive Council had called on the U.S. government to assist the Lebanese in this task "in every way possible."

"We urgently renew that call," he said.

Former Vice President Walter Mondale is welcomed to Minnesota AFL-CIO convention by David Roe, president of the state federation.

Mondale hits Reagan stand, spurs big Minnesota turnout

Duluth, Minn.—Warning that 1982 is not just another election year because "we are confronted with a radical Republican Administration," former Vice President Walter Mondale urged workers to vote Nov. 2 for candidates who oppose President Reagan's policies.

Mondale told the 799 delegates to the annual Minnesota AFL-CIO convention here that the Reagan Administration is "radical" in its failure to establish a working relationship with organized labor and in its pursuit of economic policies that have boosted unemployment and federal budget deficits to intolerable levels.

The convention endorsed the formation of job councils to deal with the immediate problems of the unemployed, organized and unorganized, and to explore the feasibility of a coordinated organizing project in Minnesota, along the lines of the AFL-CIO project in Houston.

Plant closings

The delegates reaffirmed support for national and state legislation dealing with plant closings, and problems associated with successor employers and for domestic content requirements for automobiles sold in the United States. In other action, the delegates supported extension to cities, counties and school districts of the Minnesota Buy American law that now governs purchases by state agencies.

By unanimous vote, a Democratic statewide slate was endorsed for the November election. It includes former Gov. Rudy Perpich; Sec. of State Joan Growe; State Sen. Hubert H. Humphrey III, candidate for attorney general; Paul Wellstone, candidate for state auditor, and Mark Dayton, who will oppose incumbent Republican Sen. David Durenburger

The delegates also endorsed incumbent Democratic Representatives Bruce Vento, Martin Sabo and Jim Oberstar and Democratic challengers in four of the state's remaining five Congressional districts, Tim Penny, Jim Nichols, Gerry Sikorski, and Gene Wenstrom.

President Dave Roe reported on the State AFL-CIO's lawsuit to block the State Commissioner of Public Welfare from enforcing guidelines that for all practical purposes would bar general assistance for unemployed workers who had "marketable skills," defined as a history of employment or a certificate from a vocational school or even completion of a high school course of a vocational nature. Subsequently, a judge issued a temporary injunction allowing counties to use their own definition of marketable skills until the Welfare Dept. properly issues new rules after a public hearing process.

Central issue

In his address to the delegates, Mondale stressed that a central issue in the 1982 elections "is the free trade union movement," at a time when certain factions seek a union-free environment.

Pointing to convention banners demanding that the Polish government free Lech Welesa, the imprisoned Solidarity leader, Mondale recalled seeing such banners at every labor convention he has recently attended.

"Show me a nation that doesn't permit unions," he said, "and I'll show you a nation living in slavery. Show me a nation where unions are free and I'll show you a nation living in liberty and freedom."

Among candidates addressing the convention were Perpich, Dayton and Humphrey. Other speakers included AFL-CIO Region I Director James Freeman; Cy Carpenter, president of the Minnesota Farmers Union; David McIlwaine of the AFL-CIO Union Label & Service Trades Dept.; Marianne Christianson, president of the Twin Cities chapter of the Coalition of Labor Union Women; Gleason Glover, executive director, Minneapolis Urban League; Atty. Gen. Warren Spannaus; State Rep. Harry Sieben, Jr., Speaker of the House; State Senate Majority Leader Roger Moe; and Matthew Stark, executive director, Minnesota Civil Liberties Union.

Union volunteers help swing N.Y. election

New York state's labor movement made its impact felt in a Democratic primary that resulted in an upset victory for COPE-endorsed Mario M. Cuomo in the gubernatorial primary.

Cuomo, who credited his victory to the traditional "Democratic coalition of labor union, minority groups and liberals," defeated New York City Mayor Edward I. Koch, who had been heavily favored in almost every poll.

A massive get-out-the-vote campaign, staffed primarily by union volunteers, was credited with achieving an unusually high turnout that enabled Cuomo to carry 54 of the state's 62 counties.

Labor's other endorsed statewide candidate, Sen. Daniel Patrick Moynihan, easily won renomination with 85 percent of the vote. He trounced a little-known opponent with ties to the erratic and demagogic Lyndon LaRouche movement.

Endorsement of Cuomo and Moynihan at the State AFL-CIO convention less than four weeks before the election unleashed a trade union organizational effort that was credited with overcoming the substantial financial advantage of the Koch campaign.

AFL-CIO central bodies in cities throughout the state organized phone banks in support of labor's endorsed candidates as COPE's cadre moved into action.

Two big unions with both statewide and New York City strength—the Teachers and the State, County & Municipal Employees — conducted large-scale phone bank operations of their own, took part in door-to-door canvassing in targeted precincts, and with other cooperating unions helped boost the Democratic primary turnout to 1,270,000—substantially higher than past patterns.

Record turnout

In New York City, 44 percent of registered Democrats went to the polls—a record for statewide primaries.

Just last year, Koch had been re-elected mayor with 74 percent of the vote. The former liberal congressman had been increasingly perceived as a neo-conservative, and Cuomo—who is New York's lieutenant governor—made political capital of words of mutual praise spoken by Koch and President Reagan. Publicized debates between the two primary opponents also helped offset the heavier spending for television commercials of the Koch campaign.

Cuomo will be at an even heavier financial disadvantage against the winner of the Republican gubernatorial election, Lewis E. Lehrman, a wealthy conservative businessman who spent $7.1 million in the GOP primary, more than half of that his own money. But the GOP primary turnout was less than half the Democratic primary vote, and Lehrman is clearly to the right of the Rockefeller-Javits wing of the Republican Party that had proved a winning combination in New York. He defeated Paul J. Curran, who had labor's endorsement in the Republican primary.

In the November election, Cuomo and Moynihan will also be the nominees of the Liberal Party; Lehrman and the GOP senatorial winner, Florence M. Sullivan, will have the Conservative Party designation.

Moynihan, who won his first term in 1976 with 54.2 percent of the vote, has broad popularity throughout the state and will go into the election campaign a strong favorite. Moynihan compiled a 93 percent "right" COPE record through the first session of this Congress. His November opponent was the most conservative candidate in the GOP senate primary, winning with a plurality over two moderates.

Pilots at Metro Airlines vote 99% for ALPA

Houston—Pilots of the Houston-based Metro Airlines voted to join the Air Line Pilots.

More than 99 percent of the voting Metro pilots chose ALPA in an election supervised by the National Mediation Board. As of the election date, 168 Metro pilots were eligible for ALPA membership.

IUE organizing award

President David J. Fitzmaurice of the Electrical, Radio & Machine Workers presents a special award at the IUE convention to Harold Morrison, right, for organizing achievement. Offering congratulations is Sec.-Treas. William H. Bywater, who has headed the IUE's organizing efforts for the past two years.

ILG's Dubinsky eulogized as 'champion of democracy'

New York—Veterans of trade union struggles, friends, family and many who knew him only by his achievements came to say farewell to David Dubinsky.

Dubinsky died Sept. 17, at age 90, some 16 years after he had given up the leadership of the Ladies' Garment Workers.

History will remember other great trade union leaders, ILGWU President Sol C. Chaikin told the 800 persons attending the memorial service at the Fashion Institute of Technology, "but who could match his devotion to social democracy and the welfare of working people everywhere?"

While other men served the ILGWU with genious and creativity, "Dubinsky remains singular in a long list of firsts that he was able to accomplish," Chaikin said.

AFL-CIO President Lane Kirkland remembered Dubinsky as a man of many dimensions: a romantic revolutionary . . . a civilizing missionary . . . an iron-willed autocrat, as well as a "champion of democracy who drove communists from his union and gangsters from his industry."

Nobody ever questioned which side Dubinsky was on, Kirkland said.

Tough bargainer

"He was the toughest, hardest bargainer the employers in his industry ever faced, and he became the most trusted friends and adviser they had.

"He saw that if ILG members were to get anywhere, they needed employers who knew how to cooperate and work together for their own good.

"It was the union, under Dave Dubinsky—not the professors of business administration—who showed the manufacturers where their common interests lay and taught them how to pursue those as an industry, rather than as a collection of cut-throat competitors."

Kirkland noted that Dubinsky's pioneering efforts extended the scope of trade unionism. Under Dubinsky's leadership, the ILGWU broke first ground on pensions, programs for health, education and culture, as well as legislative activities and political action.

Also participating in the memorial service were Bayard Rustin, chairman of the A. Philip Randolph Institute; A. H. Raskin, who helped write the Dubinsky autobiography, and ILGWU Sec.-Treas. Shelley Appleton, son-in-law of the late labor leader.

Six unions post major gains at 11 GTE plants

Through a coordinated bargaining effort, workers represented by six unions at 11 General Telephone & Electronics Corp. plants have reached agreement on a new three-year pact that includes wage, benefit and job security improvements.

The settlement covers 3,000 workers at GTE Sylvania lighting plants, mostly in the Northeast. The bargaining was coordinated by the AFL-CIO Industrial Union Dept., one of 80 such efforts the IUD is assisting.

The agreement provides an immediate 8 percent pay raise, effective Aug. 23 for unions that ratify by Oct. 1. In the second and third year, the raise will be 7 percent with cost-of-living adjustments of one cent for each 0.2 percent rise in the Consumer Price Index above 7 percent.

Average hourly pay was $7.93 under the old contract.

The union bargaining committee said it successfully fended off attempts by GTE to cut back on the unlimited sick leave privilege for workers with 25 years of service, freeze shift differential pay and increase health care deductions.

Instead, medical benefits were improved and monthly pension benefits were raised to a range of $13-$16 per year of service in the first year and $13.25-$17 in the second year.

Unions involved in the coordinated bargaining effort were the Machinists, the International Brotherhood of Electrical Workers, the Electrical, Radio & Machine Workers, the Auto Workers and the unaffiliated United Electrical Workers and Teamsters.

Reagan draws heavy fire

IUE delegates expand organizing program

New York—Delegates to the Electrical, Radio and Machine Workers convention committed the union to an expanded organizing program and called for a massive effort to defeat the Reagan Administration's allies at the polls.

Rank-and-file delegates lined up at convention floor microphones to second the remarks of AFL-CIO President Lane Kirkland, former Vice President Walter Mondale and other speakers who called for an end to Reagan programs that reward the rich while destroying the livelihoods of workers and denying assistance to the needy.

In his keynote address, IUE President David J. Fitzmaurice said the pattern-setting contracts that IUE recently negotiated with General Electric and Westinghouse have given a boost to other unions during a year of concessions and have helped IUE locals deal with other management attempts to obtain contract concessions.

Sec.-Treas. William H. Bywater, who has been leading the union's organizing department for the last two years, told the convention that over that span the union has gained more than 7,600 new members. Special awards were presented to three IUE international representatives for outstanding achievement in organizing.

Content bill pressed

Kirkland, in his address to the convention, called for an end to "free trade" economics and a return to "what's happening in the real world." He called particularly for domestic content legislation to aid the depressed auto industry and "say to all of America's trade partners that if you want to market here, then invest here and create jobs."

Kirkland criticized President Reagan as "being high on thespian skills and low on veracity" and accused the President of "opening the doors to the federal treasury to the rich and to his corporate friends while running the deficit to a peacetime high."

He renewed the AFL-CIO's call for a Reconstruction Finance Corp. to rebuild the nation's industrial base along with a program to upgrade deteriorating public facilities.

"While millions of workers can't find jobs," Kirkland observed, "half of our bridges are in dangerous disrepair."

Mondale told the delegates that the Reagan White House is different from other Republican Administrations because it is not moderate or even conservative, but radical. The Administration's anti-labor attitude has been taken up by the business community which wants to force what it calls a "union-free environment" upon the country, Mondale noted.

He stressed that the U.S. government and management must start working with labor again and urged renewal of the tripartite committee developed in the Carter Administration.

Another speaker, Eula Bingham, former head of the Occupational Safety & Health Administration, charged that OSHA under Reagan has issued no new standards, has watered down existing ones and cut back on inspections, fines and training programs.

NAACP Executive Director Benjamin Hooks accused the Reagan Administration of widening the gap between rich and poor and charged that it is not interested in "the truly needy, but in the truly greedy."

Hispanic allies

Dr. Louis Nunez, president of the National Puerto Rican Coalition, described the explosive population growth taking place in the Hispanic community in the United States and asked union members for greater sensitivity to the problems of Spanish-speaking Americans. Labor and community groups must make coalitions with each other in working to reach mutual goals, he said.

The convention unanimously adopted a resolution supporting the auto content legislation now before Congress. Many delegates, including the chairman of the IUE-General Motors Conference Board, Robert Livingston, described the intensive job loss in the auto industry which is also hurting steel, glass and rubber. A third of all IUE-GM workers are laid off, Livingston reported.

In other resolutions, the convention pledged the union to constant vigilance over the introduction of new technology and called for membership support of striking National Football League players.

In other action, the convention:

- Elected Elizabeth Taylor, president of IUE Local 123, as chairperson of the trustees. She will be the second woman on the union's executive board.
- Approved formation of a committee to review the union's dues and finances and make recommendations by the 1984 convention.
- Unanimously approved a constitutional amendment permitting the entry of new locals or new units of amalgamated locals under a reduced dues schedule that would reach the full level over a four-year period.

Labor protests HUD shift of low-income housing aid

The AFL-CIO has protested an Administration decision to allow cities receiving federal community development grants to divert funds from projects that help low-income and moderate-income families.

A 1974 law that set up the $3.5 billion-a-year program specifies that the "primary objective" of the grants is to improve housing, community facilities and economic opportunity "principally for persons of low and moderate income."

Regulations of the Dept. of Housing & Urban Development have enforced that obligation, but HUD's new regulations would drop any such requirement.

Legislative Director Ray Denison, in letters to the chairmen of House and Senate committees that have jurisdiction over the program, protested that HUD's actions "are contrary to the law" and urged Congress to disapprove the regulations.

Apart from the issue of legality, Denison said, "the proposed changes are also undesirable as social policy. They would represent a further dilution of aid and assistance to lower-income people from an Administration which day by day shows its insensitivity to the less well-off."

Without any enforcement by HUD of the intent of Congress, he warned, cities could divert funds from lower income neighborhoods to "politically powerful, higher income neighborhoods."

He protested also the haste of the Administration regulatory change to make it effective for the Oct. 1 start of the new fiscal year.

Sweeney details SEIU campaign for pay equality

Labor's bargaining strength is bringing women workers closer to the goal of pay equity but government leadership is still needed to eradicate sex-linked wage differentials, Service Employees President John J. Sweeney said.

Three House subcommittees are holding joint hearings on pay equality and comparable worth issues, and union witnesses have stressed labor's determination to eliminate wage inequities.

Sweeney testified that the SEIU has struck, when necessary, to bring up the "abysmally low wages" that are the legacy of "years of pay discrimination" against women workers. It has also used the bargaining table to shape union-management programs to upgrade jobs, create new career ladders and ban sex-biased job assignments, Sweeney said.

The inequalities have persisted, he noted, "despite passage of the Civil Rights Act, the Equal Pay Act and years of litigation." Organized labor is devoting an increasing share of its resources to ending the inequities, Sweeney testified. But employers have opposed pay equity "because wage discrimination and the exploitation of workers is profitable" just as they have opposed child labor laws, shorter hours and the minimum wage.

As for the government, "federal efforts to ensure pay equity have all but ceased under the Reagan Administration," Sweeney charged.

EDITORIALS

Presidential Buck-Passing

OF COURSE there is a need for job training legislation to replace the now-expired CETA program.

There is a continuing need to help young people acquire the skills they will need to hold decent-paying jobs. And there is a pressing need for measures that would help workers whose jobs have been wiped out by plant closings move into new fields of employment.

The compromise legislation that Congress is sending to the White House is a pale shadow of what is needed. But it is, at least, an improvement over the Administration's earlier position and the bill's weaknesses are the price of averting a veto.

But President Reagan's belated embrace of the legislation as a cornerstone of America's economic rebound is an obvious attempt to fool the public into thinking that this will create jobs.

The President, at his Sept. 28 news conference, dug up again the myth of vast numbers of jobs going unfilled. As one reporter noted, just the previous day, more than 4,500 applicants turned up to apply for 300 job openings in a new hotel in a New York suburb. Many of them were what a hotel spokesman termed "highly overqualified" for the available jobs, and some stood in line for nearly eight hours to put in their applications.

So much for Mr. Reagan's assumption that there are large numbers of jobs going unfilled because workers qualified to take them can't be found.

THIS WAS President Reagan's first press conference in two months, but on domestic issues the same questions met with the same evasions.

The festering unemployment crisis was clearly the responsibility of his predecessors in office, the President insisted on both occasions, while claiming credit for the reduction in the inflation rate.

On Sept. 28 as on July 28, the President was asked when the promised economic upturn would be perceptible. It's a question reporters had been patiently asking for a long time. A promised upturn failed to materialize last spring, but in June, Reagan termed economic recovery "imminent."

At his July 28 news conference, he was looking for "an improvement in the second half of this year."

Now, the President assures us, the economic forecast is for "a solid recovery in the year 1983."

IN AN especially astounding bit of buck-passing, the President said at the start of the news conference that "Congress can spur recovery," even though White House veto threats and a Republican Senate have repeatedly blocked measures that would fund programs to put unemployed persons to work at fair wages on jobs that need doing.

And even an election setback won't be a repudiation of the Reagan Administration policies, the President insists. But members of Congress are likely to see it differently.

Supply-Side in Action

SO BENDIX CORP. bought control of Martin Marietta Corp., while Martin Marietta bought control of Bendix and somehow United Technologies—or was it Allied Corp.—bought up everyone. Anyway, that was supply-side economics in action.

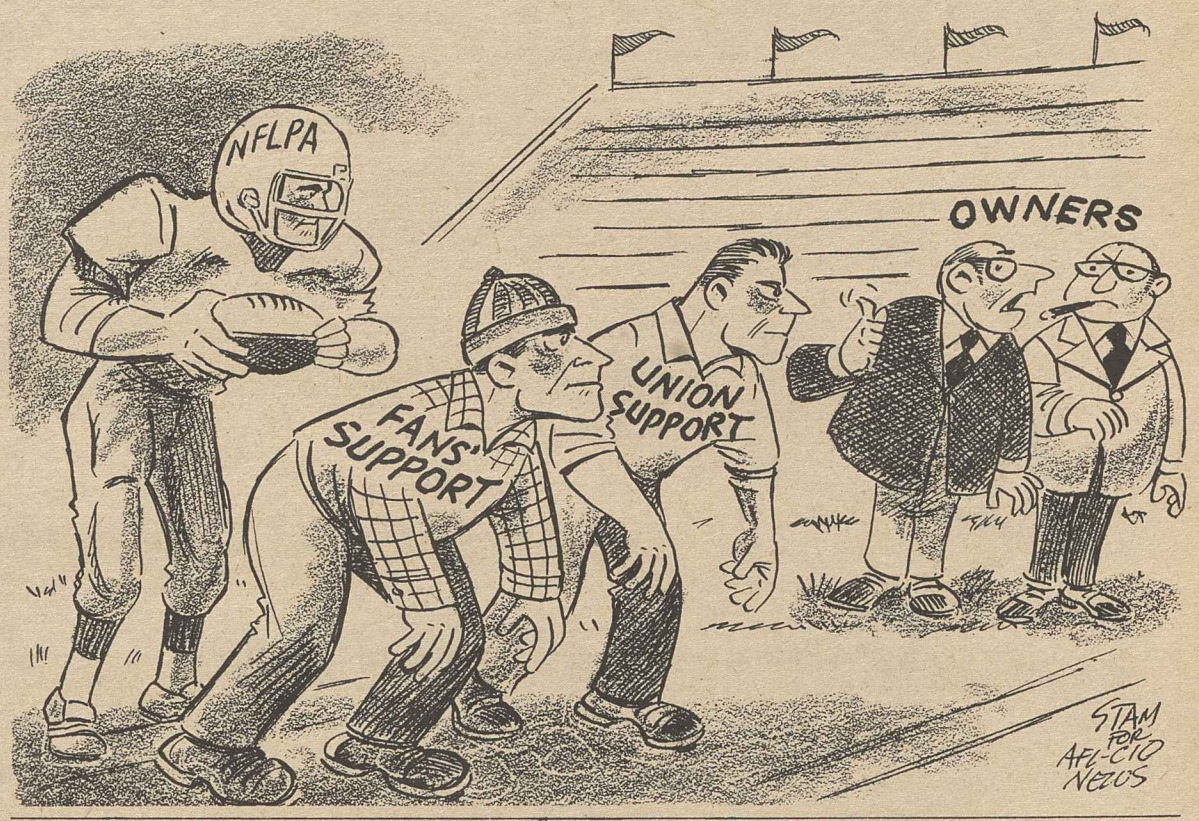
There was money aplenty, it seemed, to invest in the Wall Street takeover game—with all sorts of tax incentives and writeoffs involved.

As one steel company executive admitted to the Wall Street Journal:

"Maybe there's something wrong with our system when these four companies can line up large amounts of money in order to purchase stock, when it doesn't help build one new factory, buy one more piece of equipment, or provide even one more job."

There sure is.

'They've Picked Up Some New Linemen!'



Washington Window

Million U.S. jobs at stake in domestic content fight

By Press Associates, Inc.

During the past three and a half years, more than a million Americans who worked in auto manufacturing and its supplier industries have lost their jobs.

The job loss has resulted both from a weakened economy and from a growing influx of foreign car imports, particularly from Japan.

To stem further erosion of jobs and of an industry to which at least one out of six jobs is linked, a "domestic auto content" bill was introduced in Congress earlier this year.

By requiring foreign and U.S.-based automakers to use minimum percentages of American parts and labor in the cars they sell here, the bill would spur the Japanese to put their money where their market is—to build auto plants here and purchase U.S. auto parts.

Top priority

By the same token, the Fair Practices in Automotive Products Act would place limits on U.S. automakers' increasing use of foreign-made auto parts in cars sold here.

It's not hard to see why the auto content bill, H.R. 5133, is the number one legislative priority of the United Auto Workers. The bill has picked up 224 House co-sponsors, a House majority, and recently cleared the House Commerce Committee.

But in spite of the urgency, the bill faces tall hurdles. Even if it passed the House in the remaining weeks of this year's session, the Republican-controlled Senate and President Reagan are likely to be impassable roadblocks.

Reagan Administration officials and other opponents of domestic content legislation list various reasons for their stand.

First among these is that it would violate the principle of "free trade" and "open markets," and would invite trade retaliation by other nations.

This criticism ignores the fact that U.S. trade with Japan, especially in autos, has been one-sided. With high tariffs, the Japanese kept out auto imports until the early 1970s. Since then, they have replaced tariffs with an array of non-tariff barriers. In the past five years, the U.S. auto trade deficit with Japan has totalled $47 billion.

Skilled negotiators

The Japanese have proved to be skillful negotiators whose hallmark is appearing to make concessions while actually giving up little or nothing. For example, despite the "voluntary" restraints in auto exports to the U.S. they finally agreed to last year, the U.S. market share of Japanese cars hit new records this summer, rising to 27 percent.

European auto companies, led by Volkswagen and Renault, have been investing where their market is. The equity of having Japan do the same is strengthened by the fact that Japanese auto union officials have been among the advocates of such a policy.

Where critics of a content requirement raise the specter of trade retaliation, advocates note that Japanese and U.S. automakers would be the only ones affected by the measure.

Retaliation unlikely

It is also pointed out that 31 other nations have restrictions on auto imports or content legislation much stronger than the bill before Congress. Japan has not retaliated against these nations, and there's no reason to think it would retaliate by abandoning the lucrative U.S. car market or freezing out needed U.S. imports.

Labor experts estimate that passage of a content law would create or preserve more than a million jobs by the end of the decade. This includes 200,000 auto jobs, 500,000 supplier jobs and over 300,000 jobs in related industries.

AFL-CIO news

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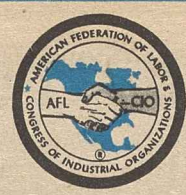

Post It At The Job Site

Post It In The Union Hall

The Impact of Reaganomics

Damage Report—Autumn '82

A look at the economic landscape 20 months into the presidency of Ronald Reagan and one month before Solidarity Day II, election day, November 2.

► Unemployment . . . in 10 percent range, highest in more than 40 years.

► Entire industries suffering depression-level joblessness; no industry untouched by its spreading epidemic.

► More individuals jobless now than at height of Great Depression.

► 11 million out of work, three million more than when President Reagan took office.

► An additional 1.4 million long-term unemployed, "discouraged" workers who've given up job search in despair.

► Another 3.1 million relegated to part-time jobs who want and need full-time work.

► "Real" unemployment 13 percent-plus . . . (includes "discouraged" and involuntary part-time, neither of whom figure in "official" government unemployment).

► Throughout "Reaganomics Recession," around the clock, every single hour of every day, every week . . . 300 American workers thrown off the job.

► Allowing two feet of standing room for every jobless American, a line starting at Reagan White House will stretch to Reagan ranch near coast of California and double back across country to Illinois, more than 4,100 miles.

► Projections that before 1982 ends, one-fourth of the entire U.S. workforce—some 30 million workers—will suffer an episode of joblessness (an "episode" averages 14-16 weeks).

► Unemployment comp exhausted for more than 2.5 million jobless; another three million expected to run out in 1983.

► Food stamps and Medicaid denied or reduced for hundreds of thousands of needy Americans.

► Thousands of young Americans—many of them the children of working people—forced to discontinue, or unable to begin, their college education because of federal loan slashes.

► Millions of working poor—3.5-4 million of them—denied supplemental welfare benefits that, together with their small earnings, enabled them to subsist.

► More than 150,000 medically disabled . . . with doctors' certificates to prove it . . . robbed of their disability benefits and told to go out and get a job.

► Business failures at the highest level since 1932 . . . 24,000 expected this year alone.

► Mortgage foreclosures at post-1930s highs. More than 5.5 percent of all mortgages, representing 1.5 million home-owners, in default. Half of these expected to lose their homes.

► Tens of thousands of family farmers, crushed by high interest rates, forced from their land.

► Industrial production down; non-farm payroll employment down; real personal income static, expected down; business sales down; housing permits down; new orders for consumer goods and materials down.

► Initial claims for unemployment compensation up to highest levels in months.

► Persons and families living in poverty up.

Turn It Around on Solidarity Day II . . . Nov. 2

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AFL-CIO news

SATURDAY
OCTOBER 9, 1982
VOL. 27, NO. 40

Report on Congress—
Special Section

Documenting the jobs crisis

Television spots focusing on the nation's unemployment crisis are screened on monitors at the AFL-CIO's Labor Institute of Public Affairs. The five-minute and 60-second spots will be shown in nine major metropolitan areas as well as on national cable. Reviewing the spots are Institute Executive Director Larry Kirkman, seated, and Associate Directors Gwenn Kelly and Nick DeMartino. (Story, Page 2.)

Labor hails defeat of balanced budget amendment move

By David L. Perlman

President Reagan is trying to turn the defeat of the Administration's badly-flawed balanced budget constitutional amendment into a political life preserver for Republicans in the Nov. 2 congressional elections.

The 236-187 House vote for the amendment was 46 short of the two-thirds majority needed to send it to the states for ratification. **(Rollcall, Page 15.)**

Labor had waged a nationwide campaign against the amendment, warning that it would endanger social security benefits, leave Congress helpless to deal with recession, and inject dubious economic theory into the Constitution.

House members who voted against its adoption "earned the thanks of the nation," AFL-CIO President Lane Kirkland said.

But Reagan was reading from a different political script when he went before television cameras at the White House just moments after the amendment's defeat. His clear goal: to divert the election campaign spotlight from the issues of rising unemployment and a deepening recession.

Reagan called for the defeat of House members who opposed the amendment, most of them Democrats.

He called on voters to elect representatives "who will support the amendment when we propose it again" next year.

Largest deficit

And he shrugged off with evasions questions from reporters who wanted to know why the President didn't simply submit a balanced budget to Congress instead of lamenting the rejection of a constitutional amendment that would compel it.

Reagan's first budget, which Congress adopted almost intact, resulted in the largest deficit in the nation's history. And the budget he proposed at the start of this year projected an even larger deficit—one substantially higher than the version Congress subsequently enacted.

The constitutional amendment, which had been approved by the Republican-controlled Senate last August, would have required Congress to adopt a balanced budget each year except in time of war or when three-fifths of the full membership of both the House and Senate agreed to an exception. It would also have limited government spending and revenue, so that budget deficits couldn't be averted by raising taxes above a specified level.

Its enactment has been a longstanding goal of the right wing. But until the election of Reagan, it had been pushed primarily at the state level through resolutions petitioning for a constitutional convention to enact a balanced budget amendment. Few took the issue seriously until the number of state legislatures climbed to 31, three short of the number required. One of the arguments made for action by Congress was that it would forestall the untested mechanism of a constitu-

Continued on Page 3

Anti-union maneuvers squelched by Senate

An alert Senate squelched an attempt by Sen. Jesse Helms (R-N.C.) to ally the Federal Election Commission to the goals of the National Right to Work Committee and also defeated a move to write into law the Labor Dept.'s court-blocked regulations weakening the Davis-Bacon Act.

Both anti-labor maneuvers were made during the rush to adjournment of Congress, when the Senate was considering a catchall resolution to fund most government agencies until mid-December. Congress is scheduled to return Nov. 29 for a post-election session to complete action on appropriations and pass whatever other bills it can agree on.

Defeat hailed

AFL-CIO Legislative Director Ray Denison hailed the decisive 62-37 defeat of the Helms Amendment, which would have directed the Federal Election Commission to issue and enforce regulations to curtail union political and get-out-the-vote activity. **(Rollcall, Page 13.)**

The wording of the amendment included puzzling instructions for the commission to act "consistent with the decisions of the United States Supreme Court holding that dues, fees and other monies required as a condition of employment may not be used by a labor organization on behalf of political candidates or for other political or ideological purposes."

In fact, no Supreme Court decision comes close to fitting such sweeping language, and Denison suggested that the clear intent of the Helms proposal was "to muzzle the freedom of speech of union members and thwart voter education and get-out-the-vote efforts."

The military rulers of Poland would applaud such tactics, Denison said.

The attack on Davis-Bacon came in an amendment introduced by Sen. Don Nickles (R-Okla.), the very conservative chairman of the Senate Labor subcommittee.

In addition to writing into law the controversial regulations that the AFL-CIO and its building trades unions charge would virtually repeal the 50-year-old prevailing wage law, it would have exempted entirely from the law government contracts under $100,000. The existing contract threshold is $2,000.

The Senate tabled and thus killed the Nickles amendment by a 50-48 vote. Thirty-seven Democrats and 15 Republicans were in the majority. Seven Demo-

Continued on Page 2

Democrats look for gain in control of governorships

By James M. Shevis

The Democratic Party, which currently holds a 27 to 23 edge over the Republicans, is likely to increase its margin of control of the nation's governorships in the 1982 elections.

With just over three weeks of campaigning ahead, the Democrats sense a deepening GOP vulnerability, particularly in the industrial Midwest where Reaganomics has done a number on thousands of workers in auto, rubber, and steel factories.

Going into the Nov. 2 elections, Republicans occupy eight of nine midwestern state houses. A Christian Science Monitor survey of GOP professional party workers shows the Republicans view themselves clearly ahead in just two farm states, Iowa and South Dakota, with a slight edge in another, Nebraska, and with two races even, Illinois and Kansas. That could spell Democratic victories in Michigan, Ohio, Wisconsin and Minnesota.

Continued on Page 13

Killers name superiors

El Salvador murder plot detailed

Outrage at the failure of El Salvador's authorities to fully prosecute persons involved in the murder of two AFL-CIO union advisers and a Salvadoran union leader has led American labor officials to divulge details of the case for the first time.

Disclosure of the maze of events and implication of individuals involved in the Jan. 3, 1981, shootings of the trio in a San Salvador hotel restaurant followed the confessions of two Salvadoran National Guard corporals who swore the murders were ordered by a politically influential lieutenant, an army captain, and a wealthy Salvadoran businessman.

While the lieutenant remains in jail as the investigation continues, a Salvadoran judge ruled Oct. 1 that there was "insufficient evidence" to hold him. The army captain, Eduardo Alfonso Avila, has fled to Guatemala and the businessman, Hans Christ, is now in Miami.

The scenario of events leading to the quickly hatched plot to assassinate Michael Hammer of Potomac, Md., Mark Pearlman of Seattle, and Jose Rodolfo Viera, director of the Salvadoran government's Institute for Agrarian Transformation graphically unfolds in an AFL-CIO document released this week.

The brief is based on court testimony, extrajudicial testimony to investigative officers, and interviews with witnesses by U.S. labor officials involved in the case.

The evidence shows that the three men were gunned down on orders from Lt. Isidro Lopez Sibrian to his bodyguard, former Corp. Jose Dimas Valle Acevedo, a National Guardsman, and another Guard corporal. Lopez formerly was a security aide to rightist leader Roberto d'Aubuisson.

Dimas, accompanied by former Corp. Santiago Gomez Gonzalez, the bodyguard of another officer, pumped bullets into the three men as they sat at a table in the restaurant. The confessions of the guardsmen had been expected by U.S. officials in Washington and El Salvador, as well as by leaders of the AFL-CIO's American Institute for Free Labor Development for which Hammer and Pearlman worked, but the judge's decision was not.

Embassy dismayed

Angered by that decision, AIFLD released details of the murders to the press, and the U.S. embassy in San Salvador reacted to the judge's ruling, saying: "We're dismayed and incredulous."

William C. Doherty, Jr., executive director of AIFLD, said the case gives the government of El Salvador a chance "to prove

Continued on Page 16

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10/9/82

Teachers win settlement in Detroit strike

Detroit—A lengthy strike by Detroit teachers came to an end Oct. 5 and the bargaining atmosphere cleared because of scattered settlements elsewhere, leaving only Pennsylvania with major disputes.

In Detroit, the nation's seventh largest school district, tentative agreement was reached between the board of education and some 11,000 teachers represented by the Detroit Federation of Teachers who had been on strike since Sept. 13.

The DFT voted to return its members to the classroom and send 15 unresolved issues to binding factfinding. Details were not announced, but union president John Elliott told the teachers, "We've got what we think is a pretty good agreement."

The Detroit settlement came a day after Detroit School Supt. Arthur Elliott threatened to seek a court injunction to force the teachers back to work. The DFT is a local of the American Federation of Teachers. Its 17-member executive board, with the backing of the majority membership, had refused to accept any pay concessions.

Pennsylvania disputes

Teachers in two Pennsylvania school districts returned to classrooms, but educators in a Montgomery County, Pa., district walked off their jobs, bringing to 21 the number of teachers' strikes in the state. One of the largest walkouts was in Hazleton, where teachers struck Oct. 6.

In Illinois, a settlement was reached in the Chicago suburb of Bremen, where classes resumed Oct. 5 following an 11-day teachers' walkout. That left three other strikes in the state still in progress.

In Deer Park, N.Y., teachers reached a tentative contract with the school board Oct. 5, ending a weeklong strike.

State fed leaders map stepped-up legislative drives

Top officers of 30 AFL-CIO state federations attending a three-day conference explored ways of stepping up efforts to win state legislation that workers vitally need to offset the impact of Reaganomics.

Discussions in general sessions and workshops at the George Meany Center for Labor Studies focused on developing effective legislation to improve state unemployment benefits and workers' compensation. Participants also reviewed the needs of public employees in collective bargaining and job safety programs.

Tied closely to the state legislative activities were discussions on labor's expanded political action efforts to elect candidates favorable to AFL-CIO programs, both on the staff and national levels.

AFL-CIO President Lane Kirkland briefed the 46 state federation officers on the AFL-CIO role in the November elections and on procedures to consider early endorsement of a presidential candidate in 1984.

Better communications

Sec.-Treas. Thomas R. Donahue outlined the AFL-CIO's efforts to better coordinate legislative and political activities with state federations by improving communications and operations at the national, regional and state levels.

And as the proposed constitutional amendment to require a balanced budget moved to the House floor, conference participants were bused to Capitol Hill to lobby their state congressional delegations for defeat of the proposal. The House vote on the labor-opposed measure, 236-187, fell far short of the two-thirds majority needed, despite a last-minute appeal from the White House.

The conference workshops were led by AFL-CIO staff specialists in state legislative matters and economics. Reports were also presented by departmental directors.

A sequence from the five-minute TV spot.

Senate blocks anti-union bills before quitting

Continued from page 1

crats and 37 Republicans supported the Nickles moves.

Before adjourning, the House joined the Senate in passing a compromise job training bill, and Speaker Thomas P. O'Neill joined Rep. Augustus Hawkins (D-Calif.) in a news conference challenge to President Reagan's attempt to claim Administration credit for the measure.

It was a bipartisan measure that the Administration only belatedly and reluctantly agreed to, O'Neill noted.

"We must ensure that job openings will exist for the trained workers that this program will provide," he declared.

The House also passed before adjournment a bipartisan bill to strengthen the law covering registration of farm labor contractors and spell out obligations for vehicle safety, housing and health care for migrant workers. The AFL-CIO had testified for the bill at House hearings. It now must await Senate action.

Pending bills

A number of other measures of interest to labor are candidates for post-election consideration, including Senate-passed bills to toughen penalties against corrupt union officials and modifying the Longshoremen's & Harbor Workers Compensation Act.

An immigration reform bill has passed the Senate—in a form that left few groups completely satisfied—and the House Judiciary Committee has drafted its own version.

House leaders are expected to clear the way for a vote on the labor-supported automobile domestic content bill, which the Administration opposes, and on a housing program of temporary mortgage subsidies that cleared both the House and Senate but was part of an appropriations measure vetoed by the President.

First project

Institute's TV spots focus on jobs crisis

Organized labor's concern for the victims of mounting unemployment and its efforts to reverse unfair economic policies form the theme of a series of television spots to be shown in nine major metropolitan areas as well as on a national cable network beginning in mid-October.

The five-minute and 60-second spots are the first TV project by the AFL-CIO's new Labor Institute of Public Affairs, which became operational earlier this year.

Each of the spots—a combination of documentary scenes, a catchy original ballad and a political narrative—draws parallels between the bread lines of the 1930s and the plight of today's more than 11 million jobless workers. The spots stress labor's call for a shift to job-creating national policies and programs.

In addition to the TV spots, the Public Affairs Institute is making available to affiliates 60-second radio tapes for distribution through their own sponsorship. Larry Kirkman, executive director of the institute, said the radio spots have been edited to allow affiliates to dub in their signatures before releasing the tapes to radio stations.

New jobless

In focusing on the nation's jobs crisis, the spots depict the frustrations and anxiety of a young laid-off worker in a futile attempt to find new work. Instead, he finds long unemployment lines and more jobless workers, reminiscent of the Great Depression.

Most of the TV spots will be aired during the week of Oct. 18-23.

The institute also has contracted for advertising space in weekly television magazines in San Francisco and Columbus, Ohio, to promote the five-minute spots before they are put on cable in those markets.

The schedule for the five-minute spots is:

Lansing, Mich.—WJIM (CBS), Oct. 19, 4:55, and Oct. 23, 11:30 p.m.

Providence, R.I.—WJAR (NBC), Oct. 16 and 23 during the noon to 4 p.m. movies.

Washington, D.C.—WTTG (Group W), Oct. 23, 9:55 p.m.

San Francisco—KFTY (Ind.) Oct. 21, 7:55 p.m., and Gill Cable, Oct. 18-20, 7:35 p.m.

Columbus—Warner Cable, Oct. 18-22, 7:30 p.m.

Pittsburgh—WPGH (Ind.), Oct. 22, 11:30 p.m.

Sixteen TV stations in the nine markets and the USA Cable Network will carry the one-minute spots. The schedule is:

Lansing—WILX (NBC), Oct. 18-21 and WJRT (ABC), Oct. 18-21.

Salt Lake City—KUTV (NBC), Oct. 18, 20 and 22, and KTVX (ABC), Oct. 18, 20 and 22; KSL (CBS), Oct. 25, 5 p.m., and Oct. 30, 6:30 p.m.

Providence—WLNE (CBS), Oct. 18, 20 and 22.

Washington—WDVM (CBS), Oct. 19 and 21; WRC (NBC), Oct. 18, 19 and 21, and WJLA (ABC), Oct. 18 and 20.

San Francisco—KRON (NBC), Oct. 18, 19 and 21; KPIX (CBS), Oct. 20.

Albuquerque, N.M. — KGGM (CBS), Oct. 20 and 22; KOAT (ABC), Oct. 18-21.

Houston—KTRK (ABC), Oct. 18-21.

Columbus—WTVN (ABC), Oct. 18, 20 and 22; WBNS (CBS), Oct. 18, 20 and 21; WCMH (NBC), Oct. 15, 19 and 21.

Pittsburgh—WTAE (ABC), Oct. 18, 20 and 22; WPXI (NBC), Oct. 18-22.

The USA network will carry a total of 19 spots at various times Oct. 18-22.

Kirkland protests unfair tilt of nation's defense burden

New York—The American labor movement will continue to support a strong national defense, as it has in the past, but only so long as the defense burden is fairly distributed among all segments of the society, AFL-CIO President Lane Kirkland declared in a speech here.

"We cannot accept a policy that places the burden of defense on those least able to bear it, while giving a free ride to those who have benefited the most from our system," Kirkland said at a dinner honoring him for his contributions to the maritime industry.

"We cannot understand a policy that, with one hand, takes money out of the taxpayers' pocket for defense and, with the other hand, gives cheap credits to the Soviet Union so it can devote more resources to its military buildup," he said.

"If our bankers stopped financing the Soviet military buildup with credits and technology, our members wouldn't have to pay for an American military buildup. It is time we asked the bankers: which side are you on?"

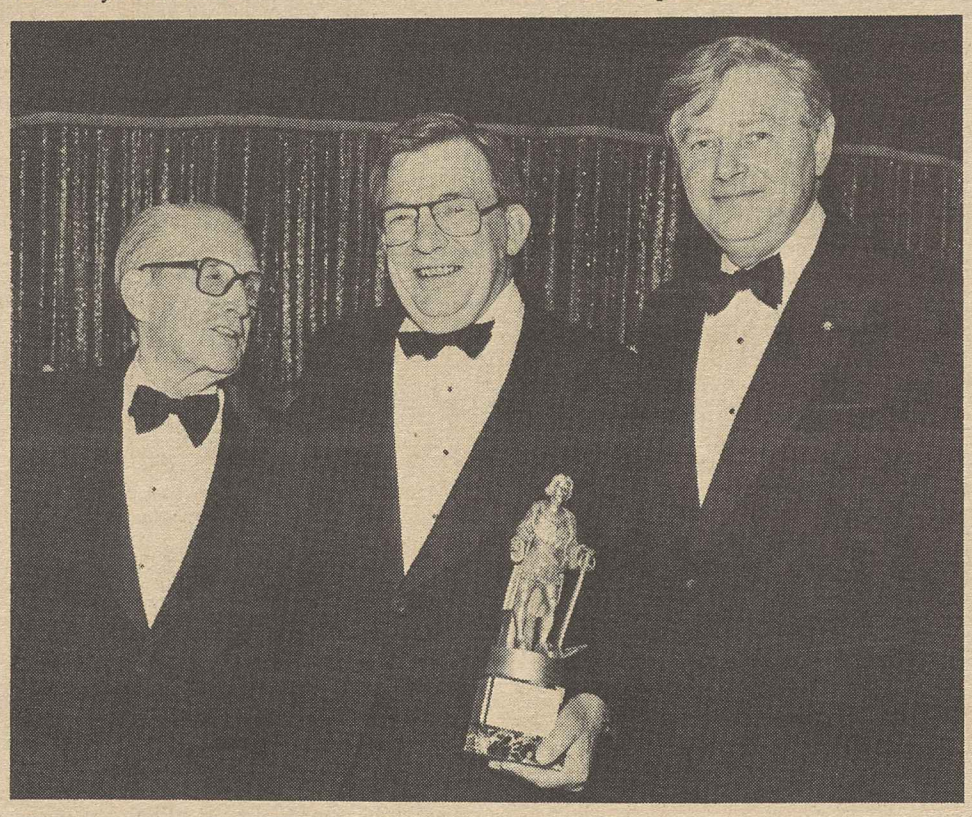
Kirkland was honored by the United Seamen's Service, which presented him its 1982 "Admiral of the Ocean Seas" award.

In his remarks, Kirkland drew attention to a bill introduced in Congress by Rep. Lindy Boggs (D-La.) to restore America's bulk shipping capacity. He said the measure would do more to strengthen the U.S. national defense and economy than any other single proposal now before Congress.

"It would provide jobs for seamen and shipbuilders, Minnesota iron miners and Michigan steelworkers, and for marine supply and support industries in 26 states," Kirkland said.

"It would produce bills for the federal treasury and stimulate the economy right across the board. And it would require labor and management in all sectors of the industry to work together—in the spirit represented by the United Seamen's Service."

Kirkland pledged the AFL-CIO's strongest support for the Boggs bill.



Seamen's Service award

Former merchant ship deck officer Lane Kirkland displays the Admiral of the Ocean Seas Award presented at a New York reception in recognition of his services to the maritime industry. Joining in the tribute to the AFL-CIO president are President Thomas W. Gleason of the Longshoremen and President Robert Lowen, right, of the Masters, Mates & Pilots, an ILA affiliate. The award is presented annually by the United Seamen's Service.

Reagan beaten on budget amendment

Continued from Page 1

tional convention and the uncertainties over such a body's powers.

Some senators who voted for the constitutional amendment in August freely admitted in private conversations that it would be at best unworkable and at worst deeply damaging to the nation. But they counted on the House to bottle it up.

The Senate's action, Kirkland said at the time, amounted to "political cowardice."

The AFL-CIO Executive Council, in session when the Senate acted, was not taking anything for granted.

Objections spelled out

It followed up a resolution spelling out labor's objections to the amendment with the appointment of a six-member subcommitte headed by Vice President Gerald W. McEntee to coordinate a national grassroots campaign.

The first goal was to slow and if possible block an attempt to pry the amendment out of the House Judiciary Committee through a discharge petition signed by 218 representatives—a majority of the House. House Judiciary Committee Chairman Peter W. Rodino, Jr. (D-N.J.) has been a staunch foe of the amendment.

If the measure should reach the floor, labor's lobbying goal would be to have more than one-third of the House firmly committed to voting against it.

Washington lobbyists targeted some 100 key congressional districts, and labor's grassroots effort was concentrated on the congressional recess period, from late August through Labor Day.

Labor's campaign, which was launched with a 14-state satellite television conference, stressed personal visits by delegations from unions and allied groups, and included in many localities radio and newspaper advertisements along with postcard mailings from workers in factories, offices, hospitals, stores and construction sites.

Not until Sept. 29, shortly before Congress was to adjourn until after the election, did the petition reach the required 218 names—and then only after intensive personal lobbying by Vice President Bush at the White House's request.

Since House rules provide for a waiting period before the discharge of a committee takes effect, the expectation was that Republicans would use the issue as best they could for political campaign advantage and the showdown would take place in the lame-duck session that will convene on Nov. 29.

Gamble worked

But House Democratic leaders gambled instead on disposing of the issue immediately and devised a strategy that would make it easier for fiscal conservatives, mostly from the South, to vote against the amendment on the showdown.

The rule adopted for consideration of the amendment called for a vote first on a substitute sponsored by Rep. Bill Alexander (D-Ark.). The Alexander proposal would have required the President to submit a balanced budget but would allow Congress to make an exception by a simple majority vote, instead of the three-fifths required under the Administration proposal.

The Alexander alternative was beaten, 346-77. But most of those who voted for it, having cast a vote for the concept of a balanced budget, then voted against the Administration measure.

The strategy had worked.

Impressive debate

Apart from the political maneuvering, the debate was impressive and at the end some staunch conservatives balked at the radical step of a drastic amendment of the constitution to achieve a momentary political gain.

A former Republican leader of the House, John J. Rhodes of Arizona, who is retiring this year after 30 years in Congress, voted against the amendment. So did Rep. Jack Kemp, who broke with his right-wing colleagues to urge that so serious a matter as amending the constitution not be treated as a political tug of war.

For the most part, though, liberal and moderate Democrats and Republicans provided the votes to block the two-thirds needed to adopt the amendment and send it to the states for ratification.

Whether it is revived as a serious issue in the new Congress will depend to a large extent on the election outcome.

NFL players okay mediation to counter league's stalling

By John R. Oravec

Striking National Football League players will accept private mediation in their current dispute with team owners, if that's what it takes to get the NFL Management Council to abandon its stalling on negotiations.

In announcing the proposal in the third week of the strike, NFLPA Executive Director Ed Garvey said the union still feels that the best approach toward a settlement is through face-to-face negotiations.

Meanwhile, the union gained a partial victory in a federal court decision that bars owners from filing suits in state courts to block the NFLPA's all-star games. The ruling, however, will permit the owners to file their challenges in federal court.

Because of the litigation, the NFLPA postponed the first scheduled all-star game, which was to have been played Oct. 10 in Washington.

Bargaining stressed

Garvey noted that the union's experience with federal mediation had not been beneficial in the settlement of past disputes with owners.

"We need bargaining," Garvey stressed. "We need people with open minds. No mediator can force management to bargain in good faith."

He charged that in 1974, management continued to violate the labor law while using the Federal Mediation & Conciliation Service as a shield. For that reason, he said, the union has ruled out the use of the FMCS in the current dispute.

Instead, the Players Association proposed a list of nine private mediators, including four former Secretaries of Labor, for the league management to consider.

No blackouts

"The only condition of our acceptance of mediation is that both parties continue to have open access to the media so that our members and the public are always aware of progress or the lack of it," Garvey said.

The four former Secretaries of Labor on the list are John T. Dunlop, Ray Marshall, Willard Wirtz and Arthur Goldberg. Others include Archibald Cox, a former solicitor general; Rev. Theodore Hesburgh, president of Notre Dame University, and Arthur Flemming, a former Secretary of Health, Education & Welfare.

By agreeing to the management's call for mediation, Garvey and NFLPA President Gene Upshaw said, the union will expect owners to begin serious contract talks.

The union's wage scale is not the only issue that the management council has refused to address, Garvey and Upshaw said. They pointed out that there has been no movement on the union's call for improving grievance procedures or the players' right to be treated by their own physicians, as well as overdue improvements in insurance coverage and pensions for retirees.

On economic issues, the union had originally sought 55 percent of the owners' gross revenues to be put into a fund for players' salaries. Management flatly rejected the proposal. The union's revised proposal is for 50 percent of the league's revenues coming from the lucrative contract with major television networks.

The league will collect $2.1 billion over the next five years from the networks, which have been making payments to team owners during the three-week strike.

R.I.P. Datsun

Remains of a crushed Datsun rest in an oversized coffin near the U.S. Capitol, reflecting reaction to the tide of imported cars and the resulting destruction of American jobs. It's all a part of a "Buy American" campaign launched earlier this year in Kentucky by the Ashland Area AFL-CIO. Within a few months, the campaign has picked up support in nearby communities, including parts of Ohio and West Virginia. Describing the growth of the campaign for reporters at a Capitol Hill press conference is Ashland Area AFL-CIO President Michael E. Blevins, who was accompanied by Rep. Carl D. Perkins (D-Ky.), in white cap. Blevins said the campaign will be climaxed by shipping the Datsun back to Japan.

Archbishop sees strong unions as hope for Brazil

International labor solidarity could go a long way toward relieving Brazilian workers from the injustice of official repression, company blacklists, and other obstacles to basic union rights and justice, the head of the world's largest Catholic archdiocese said at a luncheon given by the AFL-CIO.

"Our unions are not free," Dom Paulo Evaristo Cardinal Arns, archbishop of Sao Paulo, Brazil, observed. But with solid international trade union support, "we could accomplish great things."

The Sao Paulo archdiocese has 12 million members. It has been the scene of repeated labor battles with Brazil's military government and the hundreds of U.S. and other multinational companies operating there.

Attending the luncheon hosted by AFL-CIO Sec.-Treas. Thomas R. Donahue were Executive Director William C. Doherty Jr., of the American Institute for Free Labor Development, and Michael Boggs, assistant director of the federation's Dept. of International Affairs.

Leo Goodman dies, former staff member

Leo Goodman, a former AFL-CIO staff member, died Sept. 27 of cancer at the age of 72. Goodman also served on the staffs of the CIO, the Auto Workers and the Industrial Union Dept. During the mid-1950s, he was secretary of the federation's standing committee on nuclear energy and natural resources.

Goodman also had been a member of the United Shoe Workers and the Newspaper Guild. Survivors included his wife Elizabeth and three children.

OSHA sued by steel union on change in lead standard

Philadelphia—The Steelworkers, in a suit filed in the U.S. 3rd Circuit Court of Appeals, accused OSHA Administrator Thorne G. Auchter of illegally modifying the federal lead exposure standard.

The USWA asked the court for a full review of Auchter's actions in twice postponing a deadline for employers in three lead industries to submit detailed plans on how they would reduce worker exposure to the hazards of lead.

The original deadline for primary and secondary smelters and battery manufacturers was June 29. But at the request of the three industries, Auchter pushed back the effective date to Aug. 30, and has subsequently deferred the deadline to Nov. 15.

OSHA has initiated similar rollbacks during the past month on the cotton dust and noise control regulations.

The USWA suit charges that Auchter modified the lead standard without going through proper rulemaking procedures. The lead standard, issued during the Carter Administration, would sharply reduce worker exposure to the metal.

Excessive exposure to lead can cause damage to the kidneys and nervous system, serious blood disorders and death. More than 800,000 U.S. workers are exposed to high levels of lead on the job, according to federal estimates.

Earlier, the Auto Workers asked the federal court for the District of Columbia to direct OSHA to issue an emergency temporary standard that would lower the level of worker exposure to formaldehyde, a suspected carcinogen.

The UAW suit charged that OSHA has withheld evidence on the hazards of formaldehyde.

Teachers win settlement in Detroit strike

Detroit—A lengthy strike by Detroit teachers came to an end Oct. 5 and the bargaining atmosphere cleared because of scattered settlements elsewhere, leaving only Pennsylvania with major disputes.

In Detroit, the nation's seventh largest school district, tentative agreement was reached between the board of education and some 11,000 teachers represented by the Detroit Federation of Teachers who had been on strike since Sept. 13.

The DFT voted to return its members to the classroom and send 15 unresolved issues to binding factfinding. Details were not announced, but union president John Elliott told the teachers, "We've got what we think is a pretty good agreement."

The Detroit settlement came a day after Detroit School Supt. Arthur Elliott threatened to seek a court injunction to force the teachers back to work. The DFT is a local of the American Federation of Teachers. Its 17-member executive board, with the backing of the majority membership, had refused to accept any pay concessions.

Pennsylvania disputes

Teachers in two Pennsylvania school districts returned to classrooms, but educators in a Montgomery County, Pa., district walked off their jobs, bringing to 21 the number of teachers' strikes in the state. One of the largest walkouts was in Hazleton, where teachers struck Oct. 6.

In Illinois, a settlement was reached in the Chicago suburb of Bremen, where classes resumed Oct. 5 following an 11-day teachers' walkout. That left three other strikes in the state still in progress.

In Deer Park, N.Y., teachers reached a tentative contract with the school board Oct. 5, ending a weeklong strike.

State fed leaders map stepped-up legislative drives

Top officers of 30 AFL-CIO state federations attending a three-day conference explored ways of stepping up efforts to win state legislation that workers vitally need to offset the impact of Reaganomics.

Discussions in general sessions and workshops at the George Meany Center for Labor Studies focused on developing effective legislation to improve state unemployment benefits and workers' compensation. Participants also reviewed the needs of public employees in collective bargaining and job safety programs.

Tied closely to the state legislative activities were discussions on labor's expanded political action efforts to elect candidates favorable to AFL-CIO programs, both on the staff and national levels.

AFL-CIO President Lane Kirkland briefed the 46 state federation officers on the AFL-CIO role in the November elections and on procedures to consider early endorsement of a presidential candidate in 1984.

Better communications

Sec.-Treas. Thomas R. Donahue outlined the AFL-CIO's efforts to better coordinate legislative and political activities with state federations by improving communications and operations at the national, regional and state levels.

And as the proposed constitutional amendment to require a balanced budget moved to the House floor, conference participants were bused to Capitol Hill to lobby their state congressional delegations for defeat of the proposal. The House vote on the labor-opposed measure, 236-187, fell far short of the two-thirds majority needed, despite a last-minute appeal from the White House.

The conference workshops were led by AFL-CIO staff specialists in state legislative matters and economics. Reports were also presented by departmental directors.

A sequence from the five-minute TV spot.

Senate blocks anti-union bills before quitting

Continued from page 1

crats and 37 Republicans supported the Nickles moves.

Before adjourning, the House joined the Senate in passing a compromise job training bill, and Speaker Thomas P. O'Neill joined Rep. Augustus Hawkins (D-Calif.) in a news conference challenge to President Reagan's attempt to claim Administration credit for the measure.

It was a bipartisan measure that the Administration only belatedly and reluctantly agreed to, O'Neill noted.

"We must ensure that job openings will exist for the trained workers that this program will provide," he declared.

The House also passed before adjournment a bipartisan bill to strengthen the law covering registration of farm labor contractors and spell out obligations for vehicle safety, housing and health care for migrant workers. The AFL-CIO had testified for the bill at House hearings. It now must await Senate action.

Pending bills

A number of other measures of interest to labor are candidates for post-election consideration, including Senate-passed bills to toughen penalties against corrupt union officials and modifying the Longshoremen's & Harbor Workers Compensation Act.

An immigration reform bill has passed the Senate—in a form that left few groups completely satisfied—and the House Judiciary Committee has drafted its own version.

House leaders are expected to clear the way for a vote on the labor-supported automobile domestic content bill, which the Administration opposes, and on a housing program of temporary mortgage subsidies that cleared both the House and Senate but was part of an appropriations measure vetoed by the President.

First project

Institute's TV spots focus on jobs crisis

Organized labor's concern for the victims of mounting unemployment and its efforts to reverse unfair economic policies form the theme of a series of television spots to be shown in nine major metropolitan areas as well as on a national cable network beginning in mid-October.

The five-minute and 60-second spots are the first TV project by the AFL-CIO's new Labor Institute of Public Affairs, which became operational earlier this year.

Each of the spots—a combination of documentary scenes, a catchy original ballad and a political narrative—draws parallels between the bread lines of the 1930s and the plight of today's more than 11 million jobless workers. The spots stress labor's call for a shift to job-creating national policies and programs.

In addition to the TV spots, the Public Affairs Institute is making available to affiliates 60-second radio tapes for distribution through their own sponsorship. Larry Kirkman, executive director of the institute, said the radio spots have been edited to allow affiliates to dub in their signatures before releasing the tapes to radio stations.

New jobless

In focusing on the nation's jobs crisis, the spots depict the frustrations and anxiety of a young laid-off worker in a futile attempt to find new work. Instead, he finds long unemployment lines and more jobless workers, reminiscent of the Great Depression.

Most of the TV spots will be aired during the week of Oct. 18-23.

The institute also has contracted for advertising space in weekly television magazines in San Francisco and Columbus, Ohio, to promote the five-minute spots before they are put on cable in those markets.

The schedule for the five-minute spots is:

Lansing, Mich.—WJIM (CBS), Oct. 19, 4:55, and Oct. 23, 11:30 p.m.

Providence, R.I.—WJAR (NBC), Oct. 16 and 23 during the noon to 4 p.m. movies.

Washington, D.C.—WTTG (Group W), Oct. 23, 9:55 p.m.

San Francisco—KFTY (Ind.) Oct. 21, 7:55 p.m., and Gill Cable, Oct. 18-20, 7:35 p.m.

Columbus—Warner Cable, Oct. 18-22, 7:30 p.m.

Pittsburgh—WPGH (Ind.), Oct. 22, 11:30 p.m.

Sixteen TV stations in the nine markets and the USA Cable Network will carry the one-minute spots. The schedule is:

Lansing—WILX (NBC), Oct. 18-21 and WJRT (ABC), Oct. 18-21.

Salt Lake City—KUTV (NBC), Oct. 18, 20 and 22, and KTVX (ABC), Oct. 18, 20 and 22; KSL (CBS), Oct. 25, 5 p.m., and Oct. 30, 6:30 p.m.

Providence—WLNE (CBS), Oct. 18, 20 and 22.

Washington—WDVM (CBS), Oct. 19 and 21; WRC (NBC), Oct. 18, 19 and 21, and WJLA (ABC), Oct. 18 and 20.

San Francisco—KRON (NBC), Oct. 18, 19 and 21; KPIX (CBS), Oct. 20.

Albuquerque, N.M. — KGGM (CBS), Oct. 20 and 22; KOAT (ABC), Oct. 18-21.

Houston—KTRK (ABC), Oct. 18-21.

Columbus—WTVN (ABC), Oct. 18, 20 and 22; WBNS (CBS), Oct. 18, 20 and 21; WCMH (NBC), Oct. 15, 19 and 21.

Pittsburgh—WTAE (ABC), Oct. 18, 20 and 22; WPXI (NBC), Oct. 18-22.

The USA network will carry a total of 19 spots at various times Oct. 18-22.

Kirkland protests unfair tilt of nation's defense burden

New York—The American labor movement will continue to support a strong national defense, as it has in the past, but only so long as the defense burden is fairly distributed among all segments of the society, AFL-CIO President Lane Kirkland declared in a speech here.

"We cannot accept a policy that places the burden of defense on those least able to bear it, while giving a free ride to those who have benefited the most from our system," Kirkland said at a dinner honoring him for his contributions to the maritime industry.

"We cannot understand a policy that, with one hand, takes money out of the taxpayers' pocket for defense and, with the other hand, gives cheap credits to the Soviet Union so it can devote more resources to its military buildup," he said.

"If our bankers stopped financing the Soviet military buildup with credits and technology, our members wouldn't have to pay for an American military buildup. It is time we asked the bankers: which side are you on?"

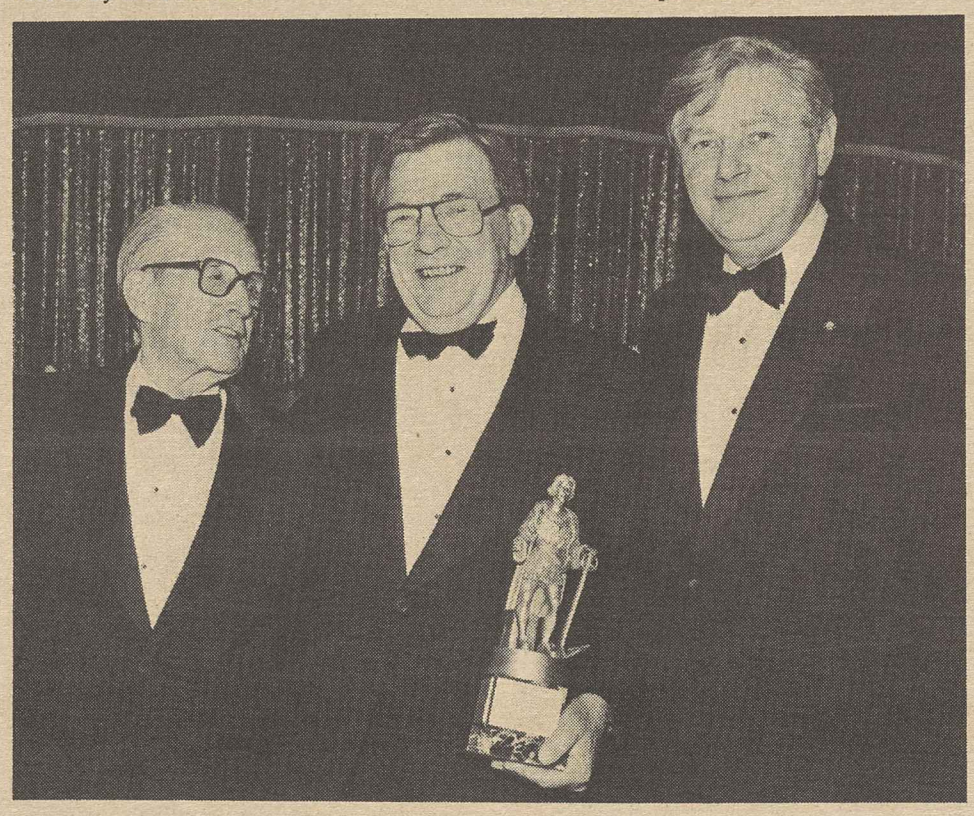
Kirkland was honored by the United Seamen's Service, which presented him its 1982 "Admiral of the Ocean Seas" award.

In his remarks, Kirkland drew attention to a bill introduced in Congress by Rep. Lindy Boggs (D-La.) to restore America's bulk shipping capacity. He said the measure would do more to strengthen the U.S. national defense and economy than any other single proposal now before Congress.

"It would provide jobs for seamen and shipbuilders, Minnesota iron miners and Michigan steelworkers, and for marine supply and support industries in 26 states," Kirkland said.

"It would produce bills for the federal treasury and stimulate the economy right across the board. And it would require labor and management in all sectors of the industry to work together—in the spirit represented by the United Seamen's Service."

Kirkland pledged the AFL-CIO's strongest support for the Boggs bill.



Seamen's Service award

Former merchant ship deck officer Lane Kirkland displays the Admiral of the Ocean Seas Award presented at a New York reception in recognition of his services to the maritime industry. Joining in the tribute to the AFL-CIO president are President Thomas W. Gleason of the Longshoremen and President Robert Lowen, right, of the Masters, Mates & Pilots, an ILA affiliate. The award is presented annually by the United Seamen's Service.

Reagan beaten on budget amendment

Continued from Page 1

tional convention and the uncertainties over such a body's powers.

Some senators who voted for the constitutional amendment in August freely admitted in private conversations that it would be at best unworkable and at worst deeply damaging to the nation. But they counted on the House to bottle it up.

The Senate's action, Kirkland said at the time, amounted to "political cowardice."

The AFL-CIO Executive Council, in session when the Senate acted, was not taking anything for granted.

Objections spelled out

It followed up a resolution spelling out labor's objections to the amendment with the appointment of a six-member subcommitte headed by Vice President Gerald W. McEntee to coordinate a national grassroots campaign.

The first goal was to slow and if possible block an attempt to pry the amendment out of the House Judiciary Committee through a discharge petition signed by 218 representatives—a majority of the House. House Judiciary Committee Chairman Peter W. Rodino, Jr. (D-N.J.) has been a staunch foe of the amendment.

If the measure should reach the floor, labor's lobbying goal would be to have more than one-third of the House firmly committed to voting against it.

Washington lobbyists targeted some 100 key congressional districts, and labor's grassroots effort was concentrated on the congressional recess period, from late August through Labor Day.

Labor's campaign, which was launched with a 14-state satellite television conference, stressed personal visits by delegations from unions and allied groups, and included in many localities radio and newspaper advertisements along with postcard mailings from workers in factories, offices, hospitals, stores and construction sites.

Not until Sept. 29, shortly before Congress was to adjourn until after the election, did the petition reach the required 218 names—and then only after intensive personal lobbying by Vice President Bush at the White House's request.

Since House rules provide for a waiting period before the discharge of a committee takes effect, the expectation was that Republicans would use the issue as best they could for political campaign advantage and the showdown would take place in the lame-duck session that will convene on Nov. 29.

Gamble worked

But House Democratic leaders gambled instead on disposing of the issue immediately and devised a strategy that would make it easier for fiscal conservatives, mostly from the South, to vote against the amendment on the showdown.

The rule adopted for consideration of the amendment called for a vote first on a substitute sponsored by Rep. Bill Alexander (D-Ark.). The Alexander proposal would have required the President to submit a balanced budget but would allow Congress to make an exception by a simple majority vote, instead of the three-fifths required under the Administration proposal.

The Alexander alternative was beaten, 346-77. But most of those who voted for it, having cast a vote for the concept of a balanced budget, then voted against the Administration measure.

The strategy had worked.

Impressive debate

Apart from the political maneuvering, the debate was impressive and at the end some staunch conservatives balked at the radical step of a drastic amendment of the constitution to achieve a momentary political gain.

A former Republican leader of the House, John J. Rhodes of Arizona, who is retiring this year after 30 years in Congress, voted against the amendment. So did Rep. Jack Kemp, who broke with his right-wing colleagues to urge that so serious a matter as amending the constitution not be treated as a political tug of war.

For the most part, though, liberal and moderate Democrats and Republicans provided the votes to block the two-thirds needed to adopt the amendment and send it to the states for ratification.

Whether it is revived as a serious issue in the new Congress will depend to a large extent on the election outcome.

NFL players okay mediation to counter league's stalling

By John R. Oravec

Striking National Football League players will accept private mediation in their current dispute with team owners, if that's what it takes to get the NFL Management Council to abandon its stalling on negotiations.

In announcing the proposal in the third week of the strike, NFLPA Executive Director Ed Garvey said the union still feels that the best approach toward a settlement is through face-to-face negotiations.

Meanwhile, the union gained a partial victory in a federal court decision that bars owners from filing suits in state courts to block the NFLPA's all-star games. The ruling, however, will permit the owners to file their challenges in federal court.

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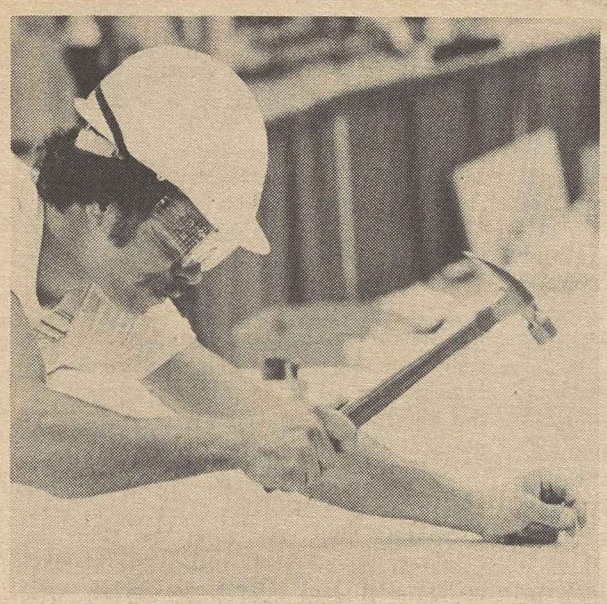

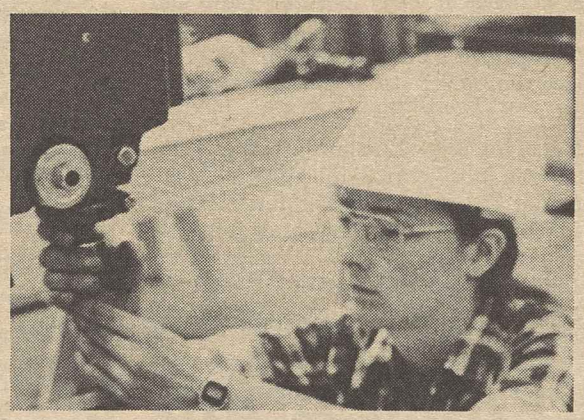

Carpenters' top apprentices

Eighty finalists competed at the Baltimore convention center in the Carpenters' annual contest for apprentices. The first-place winners are, from top left, Paul Engbring, carpentry division, Columbia, Ill.; Gary Bowers, millwright division, Detroit, and David Casey, mill-cabinetry division, Providence, R.I. The finalists came from 34 states, the District of Columbia, and five Canadian provinces. Becky Hulbert, right, of Richland, Wash., was the first woman millwright apprentice to compete in the finals. The top 11 winners shared $9,500 in prizes.

Scientists buttress union challenge of OSHA retreat on cotton dust curb

The Reagan Administration's second review of the cotton dust standard as part of its deregulation offensive has crashed into a scientific roadblock.

The chief of the National Institute of Occupational Safety & Health (NIOSH) has bluntly told the chief of the Occupational Safety & Health Administration (OSHA) that the allegedly new scientific evidence is "crude" and "meaningless." NIOSH does the scientific research on which OSHA standards are based.

The conflict between the two Reagan appointees surfaced at a House Science & Technology panel's hearing on OSHA's review of the 1978 cotton dust standard. Some 600,000 workers are affected.

The panel, chaired by Rep. Albert Gore, Jr. (D-Tenn.), reviewed analyses of recent cotton dust studies performed by the textile industry. OSHA cited these studies as its reason for reopening the standard last February. The first time around, shortly after taking office, the Administration asked the Supreme Court to let it do a "cost-benefit" analysis on the cotton dust rule, and the high court slapped it down.

During the hearing, Dr. Donald Millar, head of NIOSH, recalled that he had notified OSHA last March that there was no scientific basis for reopening the standard.

However, OSHA chief Thorne Auchter, who did not appear but submitted testimony, indicated his agency would continue the review. Auchter, citing several studies that came under fire during the hearing, said the review is "now in its final stages, and a proposal will be published in the near future."

Clothing & Textile Workers Vice President Scott Hoyman told the panel that even though many member companies of the American Textile Manufacturers Institute have met the cotton dust standard, ATMI is making "a last-ditch effort to protect the financial interest of those companies which have neglected their responsibility to invest in modern technology."

Deregulation bet

"Those company executives who have yet to commit the necessary capital are engaging in more than purely financial calculations. They are also betting on President Reagan and Mr. Auchter to accomplish what they have promised—the 'deregulation' of American industry," Hoyman said. "In this gamble, they have been plainly encouraged by the ATMI's repeated submission of spurious studies which claim to show the lack of necessity for strict exposure limits."

Hoyman said that, rather than a "burden," the cotton dust standard has worked as a "stimulant" for textile companies which have invested in new equipment and met requirements to lower dust exposure levels to 200 micrograms per cubic meter of air. The new equipment, while lowering dust levels, also has increased productivity to make these U.S. companies competitive with low-wage foreign manufacturers, he said.

In addition to larger companies, such as Burlington and J. P. Stevens, medium and smaller companies also have met the standard and profited, Hoyman said.

The studies cited by Auchter which were questioned in the House hearing included two mail surveys by ATMI which supposedly show that lung disease among textile workers is much less prevalent than demonstrated by earlier studies.

In the March NIOSH report submitted to the panel, the agency recommended to OSHA "that these surveys be disregarded as credible scientific investigations of lung disease in the cotton textile industry." NIOSH called the industry surveys "crude" and "meaningless" compared to "earlier, scientifically valid studies."

Another study by the National Academy of Sciences questioned the evidence linking acute and chronic effects of cotton dust exposure and urged further research. However, Dr. Jerome Kleinerman, who chaired the NAS National Research Council panel which issued the report, agreed there currently is not enough scientific evidence to change the cotton dust standard and concluded it would be better to err on the side of protecting workers when research is conducted.

Link affirmed

In fact, three out of four scientists appearing before the House panel strongly reaffirmed the link between cotton dust exposure and lung disease, whether "brown lung" byssinosis—or other types. They also questioned the validity of the ATMI's surveys, particularly in terms of methods. The lone dissenter was Dr. Harold R. Imbus, who had carried out the studies for ATMI.

In his testimony, Dr. Millar also addressed the question of substituting respirators for engineering controls in the cotton dust standard. OSHA officials have said this is one part of the standard being reviewed for "cost-effective" considerations.

"In my view," Millar said, "the use of respirators is an adjunct to, and never a substitute for, engineering controls."

Sheet Metal union launches nationwide legal services

The Sheet Metal Workers' new employer-paid legal services program is in operation providing comprehensive coverage for union members in the United States and Canada.

The prepaid legal plan is part of a master agreement the union negotiated last spring with the Sheet Metal Contractors Association, which also agreed on establishing a union-wide prescription drugs plans.

Under the national agreement, employers signing local contracts pay 15 cents for each hour worked by SMW members into a dual trust fund to finance the operating costs of the two programs.

Others due

SMW President Edward J. Carlough reported that the legal services plan has been put into effect in a number of local agreements and that others will be signed soon.

"Together with an accompanying national prepaid program for prescription drugs and maintenance medicines, the SMW legal program is a step toward relieving Sheet Metal Workers of potential heavy, even crippling, out-of-pocket costs," Carlough said.

Last month, the legal trust fund signed an agreement with Hyatt Legal Services as the exclusive provider of services in the 25 cities where Hyatt has offices. In other communities, Hyatt will arrange for services from selected law firms, while some members will retain their own lawyers.

The program is designed to provide comprehensive coverage for SMW members, spouses and dependents. Services include the writing of wills and handling of probate matters, divorce and other domestic law problems, real estate transactions, consumer disputes, and defense of both civil lawsuits and criminal charges.

The union reported that negotiations are continuing for the implementation of the prescription drugs program under which members would submit receipts to the trust fund for reimbursement.

Shoe industry, unions join in imports fight

A coalition of shoe industry and labor officials, joined by more than 150 members of the House and Senate, have asked the Reagan Administration to press other nations to open their markets to shoes that have been funneled increasingly into the United States since trade barriers were lifted last year.

The plight of the U.S. footwear industry and its workers was described at a Capitol Hill conference by Clothing & Textile Workers President Murray H. Finley, Food & Commercial Workers Vice President Arnold Mayer, George Q. Langstaff, president of the footwear industry's association, and several members of the House and Senate.

Lost jobs

Since the Administration permitted the import relief program on nonrubber footwear to expire in June 1981, some 22,000 shoe workers have lost their jobs and "many thousands of others are on short workweeks," said Finley.

He said gains by the domestic shoe industry made during the four years import controls were in effect "have been totally wiped out by the tremendous import growth since then."

Mayer, who read from a statement by UFCW President William H. Wynn, said that "at the end of 1981, imports had captured 51 percent of our market; they now control over 60 percent. Footwear unemployment is over 18 percent at a time when domestic consumption of footwear is up."

Mayer noted that those employed in the footwear industry usually are low-paid workers in small towns who, "when the shoe plant boards its doors, have no place else to go." He added that "many are minorities and many are women."

New approach

Mayer criticized a trade policy that permits "unrestricted and relentless footwear imports into the U.S. market—imports which should be going elsewhere, but do not because other countries have shut them out." He said his union's demand that other nations open their markets to allow genuine free trade "is a totally new approach for us."

The labor-industry coalition—the Footwear Import Action Committee—plans soon to file a petition with U.S. Trade Rep. William E. Brock requesting action against the import barriers of other nations which divert imports into the U.S. These countries will probably include Brazil, France, Britain, Italy, Japan, Korea, Spain, Taiwan, and the European Community.

In addition to this petition under Section 301 of the Trade Act of 1974, new countervailing duty cases will be filed against nations that subsidize footwear exports.

Performers seek compensation for homemade tapes

Performers are entitled to fair payment for their talents, and unauthorized audio and video taping takes money out of their pockets, the AFL-CIO Dept. for Professional Employees testified.

DPE Director Jack Golodner, testifying at House hearings, urged enactment of legislation in the post-election session of Congress that would legalize home taping for non-commercial purposes and provide compensation through fees paid by manufacturers and importers of recording devices and blank tapes.

He displayed to the House Judiciary subcommittee a popular portable recorder with radio and tape deck units, along with copies of advertisements citing the opportunity to "duplicate a favored tape for a friend or copy a borrowed cassette."

Without effective copyright protection, Golodner said, such recording devices are "burglar tools."

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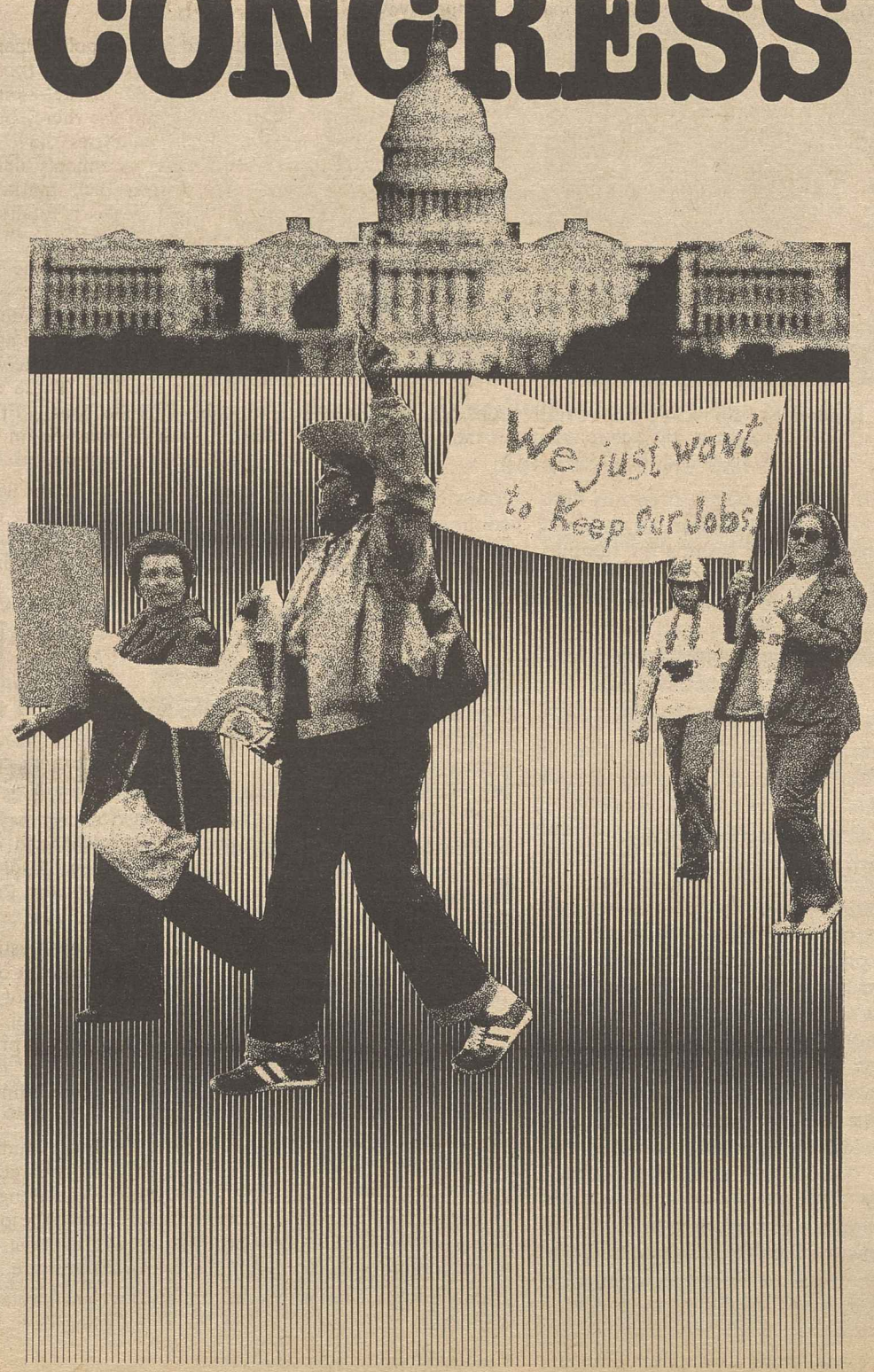
1982

A REPORT ON CONGRESS



By Lane Kirkland

EACH YEAR the AFL-CIO analyzes the voting record of every member of Congress on issues that affect the lives of working men and women. The hundreds of legislative decisions by the House and Senate are boiled down to those votes which show most clearly whether a legislator votes for or against the interests of working Americans and their families.

In 1982, economic issues continued to dominate the congressional agenda. President Reagan and his Republican allies in Congress pushed for ever-deeper cuts in programs from pensions and unemployment compensation to job training and education. The Administration also insisted on maintaining the 1981 windfall tax cuts for the wealthiest families and most profitable corporations. Combined with a tight-money policy that kept interest rates high, this economic formula produced the Reagan recession, the worst since the 1930s.

In 1982, Congress slowly put aside the rubber stamp it used on Reaganomics in 1981. As, month by month, the economy skidded deeper into recession, Congress began to reassert its lawful role in setting economic policies:

- When the President demanded a constitutional amendment that would force future presidents to balance the federal budget, regardless of its damage to the nation or its defenses, the House saw through the sham. If in place today, such an amendment would prevent Congress from taking any action to end the recession and would decimate social security and other programs. The House voted the amendment down, over the President's objections.

- President Reagan increasingly resorted to "government by veto," but on two occasions he overplayed his hand, and both the House and Senate came up with the two-thirds majorities needed to override a veto. The first came on legislation to maintain century-old protection of U.S. printing industry workers. In overriding the veto, Congress saved 367,000 jobs that would have gone to factories in the Far East. The second veto came on an appropriations bill which included funds for key programs and came in *under* budget. In overriding this veto, Congress rescued new unemployment benefits and jobs for the elderly.

- Taking their cue from the Administration, key Senate Republicans tried to sneak through another $40 billion cut in social security benefits. Senate Democrats put a stop to it immediately.

But stopping Reaganomics is not enough. Much more needs to be done if Congress is to lead the nation out of the Reagan economic disaster. In February 1982, the AFL-CIO proposed an alternative economic program that included job-creating investments, rebuilding of troubled industries, housing construction, a fair trade policy designed to stop the outflow of U.S. jobs to foreign nations, restoration of programs that benefit working people, and genuine tax reform based on ones' ability to pay—not a reward to the wealthy.

Portions of that program, including job training, extended unemployment benefits, and certain tax reforms, were passed in 1982. Other provisions, including legislation to require auto importers to produce a share of their vehicles in the United States, industrial revitalization, and lowering of interest rates, made progress.

Fifty years ago, America's economy was in chaos. American workers rejected a President who urged patience while the nation suffered. They elected a new, compassionate President and a supportive Congress to bring about recovery with strong action, not slogans.

The programs created in that era—the Works Progress Administration, Reconstruction Finance Corp., Tennessee Valley Authority, Public Works Administration, National Recovery Administration, Civilian Conservation Corps, and many others—helped restore health to the economy, and gave the necessary push to get America's economy rolling again.

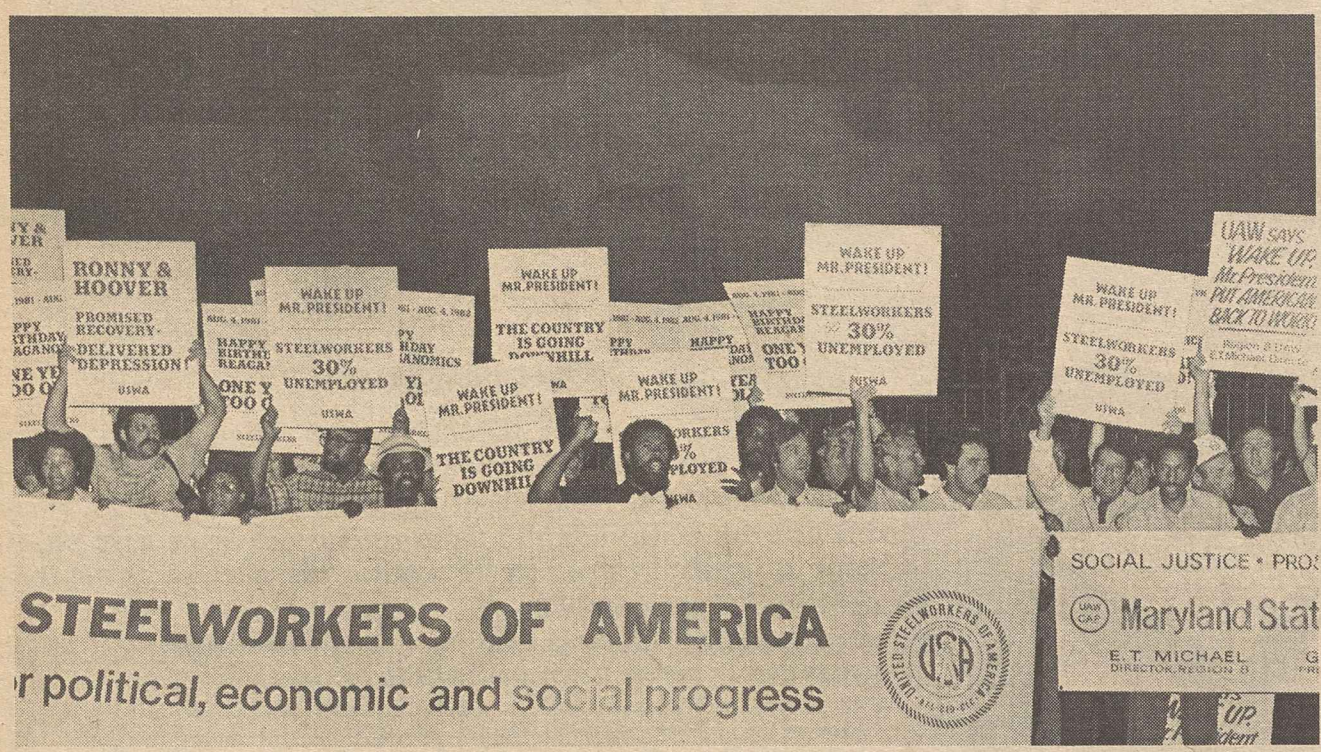
The challenges facing America today are as difficult as in the Great Depression. And once again a President says, "Do nothing, wait for recovery, it's just around the corner." But jobless workers cannot wait any longer. They need action now. And the key is in the Congress. The charts on the following pages will show you where your legislators stood in 1982 on issues that offered a clear choice between economic revival and economic stagnation.

Congress can take the lead in bringing recovery. Congress will get the message if American workers study the record and elect legislators who will vote in the interest of all Americans, not those who profit from a stricken nation.

This special section carries labor's 1982 report card on Congress tabulating the votes on major issues of concern to the AFL-CIO in the second session of the 97th Congress. House members have been judged on 13 and senators on 18 key issues—"R-right" or "W-wrong" on the basis of the position the AFL-CIO took on the legislation. The tables also include the cumulative voting record and cumulative "right" percentage of each member since election to the House or Senate. With the voting records are brief descriptions of the issues—what the vote was about and its importance to the labor movement and the nation. Issues of prime importance to labor are the first 8 votes in the House and the first 10 votes in the Senate.

Two important votes occurred too late to be included in the voting record—the rejection by the House of the balanced budget constitutional amendment and the Senate's rejection of a proposal by Sen. Jesse Helms (R-N.C.) to prohibit unions from using funds to communicate with their members on political issues or voter registration drives. Rollcall votes on these issues are listed separately in the Oct. 9 AFL-CIO News.

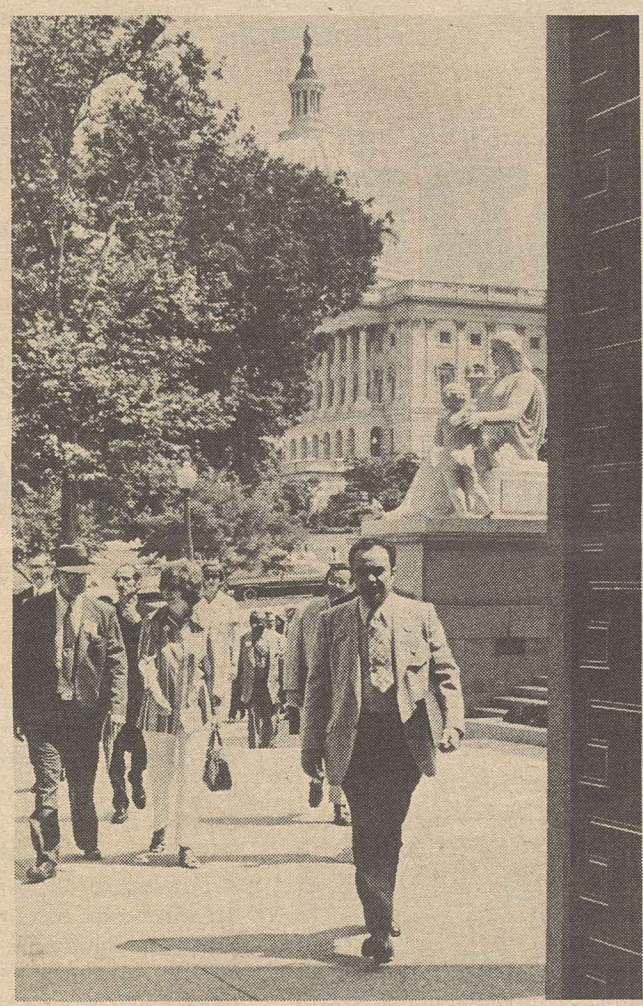
Labor's Stand on Major Issues in the House



Steelworkers deliver a 4 a.m. "wake-up call" on the economy to President Reagan at the White House.

Senior citizens voice their concerns.

AFL-CIO President Lane Kirkland spells out labor's prescription for economic recovery.



BRAC grass-roots lobbyists on Capitol Hill.

AFSCME members call on Rep. Paul Simon (D-Ill.)

1. Halting Attempts to Export U.S. Jobs

Even though Reaganomics already has caused unemployment to rise above 10 million, President Reagan offers no program to produce new jobs and, in fact, has taken action to directly wipe out existing jobs. Reagan cast a veto that his own Labor Dept. estimated could cost another 367,000 workers their jobs, causing Republicans and Democrats to wonder about his professed commitment to the jobless. Congress wisely overrode the Reagan veto.

The veto came on a bipartisan bill to extend the century-old law requiring that books and periodicals written by Americans and published by U.S. companies be printed and bound in America in order to gain full copyright protection. The Labor Dept. showed that failure to extend the law could cost the United States 172,000 jobs in printing and another 195,000 jobs in supplier industries, due to the move-out of the U.S. printing industry to Far Eastern countries. Congress passed the extension by wide margins, and when Reagan vetoed the extension bill, the House overrode him 324-86 on July 13.

For—Right Against—Wrong

2. Restoring Mine Safety and Health Protections

In 1981, conservatives in Congress stripped the Mine Safety & Health Administration (MSHA) of its authority to enforce worker health and safety rules at stone, sand and gravel surface-mining sites. In taking this action, Congress ignored AFL-CIO protests that 134 workers died in those industries in 1978-80. Congressional action left these workers without any federal safety protection. Fortunately, in 1982 Congress reversed itself and restored MSHA protections to the 40,000 affected workers.

The key vote came during consideration of an appropriations bill which included language restoring protections of the law to these workers; Rep. John Rousselot (R-Calif.), who led the anti-worker forces last year, attempted to delete the MSHA language. The House rejected the Rousselot amendment 186-220 on May 12.

For—Wrong Against—Right

3. Targeting Defense Contracts to Ease Pain of Unemployment

In 1982 the conservative-dominated Congress took remarkably little action to ease the hardship of the Reagan recession on more than 10 million unemployed Americans. But one show of concern came during consideration of the Defense Dept. authorization bill, when the House approved an amendment by Rep. Samuel Stratton (D-N.Y.) directing the Secretary of Defense to continue a test program in which certain contracts for goods and services are directed toward areas of the country with especially high unemployment. Thus jobs are provided to workers who have little likelihood of finding work in their communities. The Stratton amendment passed 237-170 on July 28.

For—Right Against—Wrong

4. Food Stamps for the Jobless

During consideration of budget reconciliation for agriculture programs, Rep. William Wampler (R-Va.) proposed deeper cuts in the food stamp program than those already in the bill. The Wampler amendment would have ended emergency food stamps for families that have recently lost their source of income. Thus, if a head of a household were laid off unexpectedly, the jobless family would have been denied food stamps for up to 30 days, even if it had no money to buy food in the meantime.

The House rejected the Wampler amendment 181-210 on Aug. 10.

For—Wrong Against—Right

5. Improving Worker Productivity with Job Training Programs

Labor Dept. programs, especially jobs programs, have taken a disproportionate share of the Reagan budget cuts, with the public service job-creation program completely wiped out. But as the Reagan recession caused joblessness to rise above 10 million, Congress became increasingly concerned about the unemployed, and the question was no longer whether to provide job training but how it should be handled.

Rep. John Erlenborn (R-Ill.) attempted to make training programs one-sided, with virtually total control by management. The Erlenborn amendment would have given management veto power over any provision of a job training program, while worker representatives would have no such power. The AFL-CIO urged that the law provide for a fairer partnership among management, labor and local government officials in designing and managing the training programs. The House rejected the Erlenborn amendment, but Rep. Eugene Johnston (R-N.C.) moved to recommit the bill to committee in order to add the Erlenborn language. The House then rejected the Johnston motion 189-218 on Aug. 4.

For—Wrong Against—Right

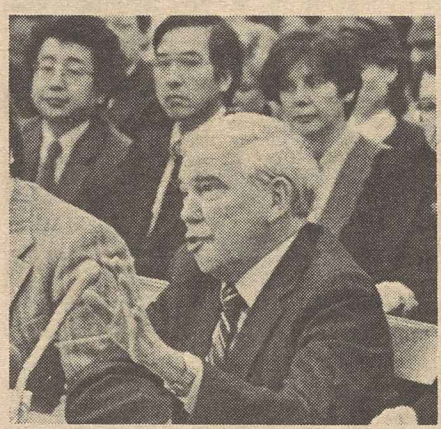
6. Defending Davis-Bacon Prevailing Wage Protections

Anti-worker members of Congress seize every opportunity to tear down America's labor laws, including the 50-year-old Davis-Bacon Act, which requires payment of locally prevailing wages to workers on federally financed construction projects. It assures local contractors who uphold community labor standards a fair chance to compete for government projects without being undercut by outside firms using cut-rate labor. It also protects the government from fly-by-night operators seeking to win federal contracts by paying wages too low to attract competent craftsmen.

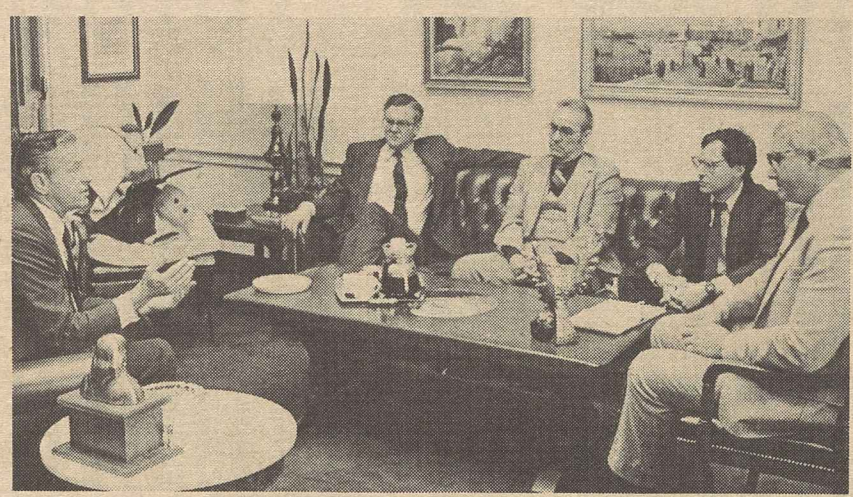
Stymied in their efforts to gain outright repeal of the Davis-Bacon law, anti-union lobbies and their congressional allies repeatedly have tried to eliminate the law piecemeal by removing its coverage from various types of government contracts. One such attempt came during House consideration of Economic Development Administration grants. Rep. Tom Hagedorn (R-Minn.) offered an amendment to weaken Davis-Bacon protections on these local development grants for distressed areas of the country. Once again the House supported Davis-Bacon, rejecting the amendment 140-237 on Aug. 12.

For—Wrong Against—Right

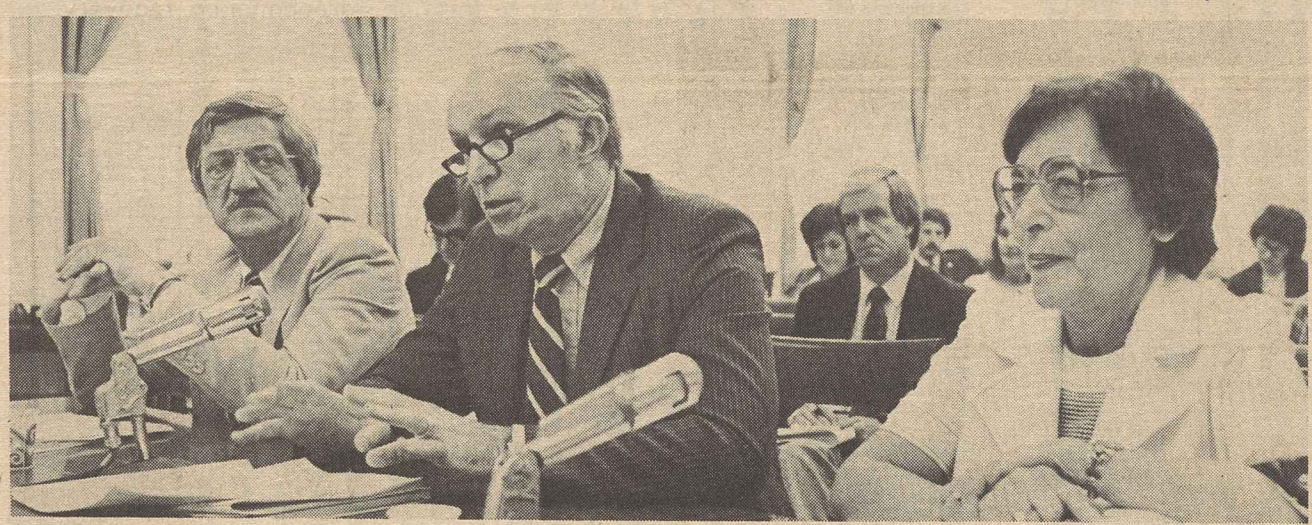
Safety conference delegates protest Administration attacks on established OSHA standards.



UAW President Douglas Fraser testifies on domestic auto content measure.



Transit union delegation visits Rep. James Howard (D-N.J.).



Legislative Director Ray Denison and labor standards consultant Clara Schloss. AFL-CIO Sec.-Treas. Thomas R. Donahue warns House panel of consequences of Administration's attempt to get child labor protections. With Donahue are

7. Maintaining Pensions for Retired Federal Workers

Congress so far has rejected President Reagan's attempts to slash cost-of-living adjustments in social security, but the separate pension system paid into by federal workers has proved more vulnerable to political attack. During consideration of the civil service budget, Rep. Edward Derwinski (R-Ill.) tried to slash $3.2 billion from the measure in order to impose a 4-percent "cap" on the federal pension COLA. Assuming an inflation rate of 7 percent, this would mean that pensioners would lose 3 percent of their purchasing power. The Democratic-controlled House rejected the Derwinski motion by a 160-236 vote on Aug. 3. (But the GOP-dominated Senate approved the unfair 4-percent cap, as did the House-Senate conference committee which forged a "compromise" between the House and Senate bills.)

For—Wrong Against—Right

8. Fighting Recession with Jobs Legislation

As the Reagan recession worsened in 1982 and the unemployment rate edged toward 10 percent, Congress finally began to consider legislation to restore jobs. On Sept. 16 the House voted 223-169 to pass a bill creating approximately 250,000 jobs for the hardcore unemployed. The jobs would involve repair and maintenance of deteriorating public facilities, such as roads and bridges, water systems, and school security systems. (Unfortunately, the Republican-dominated Senate defeated an attempt by Sen. Edward M. Kennedy (D-Mass.) to enact this job-creating legislation.)

For—Right Against—Wrong

9. Defending Federal Programs that Help People I

The fiscal year 1983 budget submitted by President Reagan contained program cuts so unfair that both Republicans and Democrats in Congress rejected it out of hand. Congress then set about writing its own outline for government programs. Of the seven budget plans that came to a vote in the first round of debate—all of which were rejected—only one was designed to reverse the Reagan recession. This was the proposal by Rep. David Obey (D-Wis.). The Obey budget would have rescued programs such as unemployment compensation, public service jobs and training, veterans' benefits, education and transportation programs, as well as scientific research programs designed to improve America's productivity. The Obey budget would have financed these programs by reversing portions of the unfair Reagan tax cuts, restoring the full windfall profits tax on oil companies, and closing other tax loopholes.

The Obey budget would have restored an estimated one million jobs, and would have produced a smaller federal deficit than the other budget plans. Nevertheless, conservatives in the House, eager to provide Reagan with another round of program slashes, rejected the Obey budget 152-268 on May 24.

For—Right Against—Wrong

ERA rally pledged labor's support.

10. Defending Federal Programs that Help People II

After rejecting seven budget plans, the House began work again on a First Budget Resolution. This time the choice was simpler—a Democratic package offered by Budget Committee Chairman Jim Jones (D-Okla.) or the Reagan-endorsed Republican plan of Rep. Delbert Latta (R-Ohio). The AFL-CIO endorsed the Jones budget, which included creation of jobs in housing construction and in repair and maintenance of public buildings and other facilities, restoration of unemployment compensation in 25 states that were forced to "trigger off" extended benefits because of previous Reagan budget cuts, and allowance for tax reforms to help pay for programs such as Medicare.

Unfortunately, Reagan budget cuts won out over people's needs. The Jones budget lost 202-225 on June 10.

For—Right Against—Wrong

11. Defending Federal Programs that Help People III

Shortly after rejecting the AFL-CIO-endorsed Jones budget, the House passed another installment of Reagan budget cuts, introduced by Rep. Delbert Latta (R-Ohio). The cuts included an $11 billion cut in Medicare over three years, which will force the elderly to pay higher out-of-pocket costs for their health care. Also slated for additional cuts: trade adjustment assistance, the special unemployment compensation for those who lose their jobs due to government policies that encourage imports; college student loans; nutrition programs; veterans' programs; and virtually all other non-defense programs. The House approved the Reagan-backet Latta budget cuts by a 220-207 vote on June 10.

For—Wrong Against—Right

12. Providing Funds for Housing and Other Programs

On June 24 Reagan sent a message to nearly a million unemployed construction workers and to families eager to buy a home but unable to pay exorbitant interest rates. The message: Don't look to me for sympathy—or help.

On that date Reagan vetoed an urgent supplemental appropriations bill because it included a $3 billion program of subsidies to bring down home mortgage interest rates. The bill would have lowered interest rates for 210,000 home mortgages and would have restored more than 480,000 jobs. It had broad bipartisan support in Congress. It also included necessary stopgap funding for most government agencies pending enactment of regular appropriations bills.

The House, in a 253-151 vote, failed to come up with the two-thirds majority needed to override the Reagan veto. Ironically, 75 Republicans voted for the housing program but then voted against overriding the Reagan veto of it.

For—Right Against—Wrong

13. Reasserting Congressional 'Power of the Purse'

By the summer of 1982, as Reaganomics produced deepening recession and ever-higher unemployment, Congress was beginning to tire of Reagan vetoes of its appropriations bills. On Aug. 28 Reagan pushed Congress too far, as he vetoed a carefully crafted supplemental appropriations bill that included funds for the Labor Dept. to process payments under the recently enacted extension of unemployment compensation, a popular program that provides part-time jobs for the elderly, and funds for college loans and education for the handicapped.

In vetoing the measure, Reagan called it a "budget-buster," a charge resented by House members who knew the bill totalled nearly $2 billion less than Reagan had requested. Actually, Reagan vetoed the bill because it didn't spread the money among programs he preferred. The House overrode the Reagan veto, 301-117 on Sept. 9. (The Senate also overrode the veto, and the measure became law.)

For—Right Against—Wrong

How Your Members Voted in the

	Saving U.S. Jobs	Mine Safety and Health	Jobs	Food Stamps for the Jobless	Job Training	Davis-Bacon	Federal Workers' Pensions	Job-Creation	Total Labor Votes		Saving Federal Programs I	Saving Federal Programs II	Saving Federal Programs III	Key Programs: Housing	Stopping Reaganomics	Cumulative Voting Record		Cumulative Right Percentage
	1	2	3	4	5	6	7	8	R	W	9	10	11	12	13	R	W	%
ALABAMA																		
1. Edwards J. (R)	R	W	W	W	W	R	W	W	2	6	W	W	W	W	R	34	195	15
2. Dickinson (R)	W	W	W	W	W	W	W	W	0	8	W	W	W	W	W	24	207	10
3. Nichols (D)	R	W	W	W	W	A	W	R	2	5	W	W	W	R	A	61	152	29
4. Bevill (D)	R	R	W	W	R	R	R	R	6	2	W	R	R	R	R	115	101	53
5. Flippo (D)	R	W	W	A	R	R	R	R	5	2	W	R	R	R	R	50	49	51
6. Smith (R)	W	W	W	W	W	W	W	W	0	8	W	W	W	W	W	2	26	7
7. Shelby (D)	W	W	W	W	W	R	W	W	1	7	W	W	W	R	R	19	48	28
ALASKA																		
AL Young D. (R)	R	W	W	R	W	A	A	W	2	4	W	W	W	A	R	61	95	39
ARIZONA																		
1. Rhodes (R)	W	W	W	W	W	A	W	W	0	7	W	W	W	W	R	26	247	10
2. Udall (D)	R	W	W	R	R	A	R	R	7	2	R	R	R	R	R	186	34	85
3. Stump (D)	W	W	W	W	W	W	W	W	0	8	W	W	W	A	A	11	95	10
4. Rudd (R)	R	W	W	W	W	W	W	W	1	7	W	W	W	W	A	10	97	9
ARKANSAS																		
1. Alexander (D)	R	W	R	R	R	R	R	R	7	1	W	R	R	R	R	119	74	62
2. Bethune (R)	R	W	W	W	W	W	W	W	1	7	W	W	W	W	W	12	53	18
3. Hammerschmidt (R)	W	W	W	W	W	W	R	W	1	7	W	W	W	R	R	36	183	16
4. Anthony (D)	R	W	W	R	R	W	R	R	5	3	W	R	R	R	R	35	30	54
CALIFORNIA																		
1. Chappie (R)	W	W	W	W	W	R	W	W	1	7	W	W	W	W	R	2	25	7
2. Clausen (R)	R	W	R	W	W	R	R	R	5	3	W	W	W	R	R	55	180	23
3. Matsui (D)	R	R	R	R	R	R	R	R	8	0	R	R	R	R	R	59	8	88
4. Fazio (D)	R	R	R	R	R	R	R	R	8	0	R	R	R	R	R	56	10	85
5. Burton J. (D)	A	A	R	A	R	A	A	R	3	0	A	R	R	R	R	125	11	92
6. Burton P. (D)	R	R	R	R	R	R	R	R	8	0	R	R	R	R	R	215	15	93
7. Miller G. (D)	R	R	A	R	R	R	R	R	7	0	W	R	R	R	R	132	15	90
8. Dellums (D)	R	R	R	R	R	R	R	R	8	0	R	W	R	R	R	179	18	91
9. Stark (D)	R	R	A	R	R	R	R	R	7	0	R	R	R	R	R	150	15	91
10. Edwards D. (D)	R	R	W	R	R	R	R	R	7	1	R	R	R	R	R	224	18	93
11. Lantos (D)	R	R	R	R	R	R	R	R	8	0	R	R	R	R	R	23	4	85
12. McCloskey (R)	W	A	A	A	W	A	W	A	0	3	A	W	W	W	W	91	101	47
13. Mineta (D)	R	R	R	R	R	R	R	R	8	0	R	R	R	R	R	134	20	87
14. Shumway (R)	W	W	W	W	W	A	W	W	0	7	W	W	W	W	W	5	57	8
15. Coelho (D)	R	R	R	R	R	R	R	R	8	0	R	R	R	R	R	51	14	78
16. Panetta (D)	R	W	R	R	R	R	R	R	7	1	R	R	R	R	R	76	32	70
17. Pashayan (R)	R	W	W	W	R	R	W	R	4	4	W	W	W	W	W	17	48	26
18. Thomas (R)	W	W	W	W	W	W	W	W	0	8	W	W	W	W	W	5	59	8
19. Lagomarsino (R)	W	W	W	W	W	R	W	W	1	7	W	W	W	W	W	21	145	13
20. Goldwater (R)	W	A	W	W	W	W	W	W	0	7	W	W	W	W	W	17	176	9
21. Fiedler (R)	W	W	W	W	W	R	W	W	1	7	A	W	W	R	W	5	19	21
22. Moorhead C. (R)	W	W	W	W	W	W	W	W	0	8	W	W	W	W	W	16	155	9
23. Beilenson (D)	W	R	R	R	R	R	R	R	7	1	R	R	R	R	R	85	22	79
24. Waxman (D)	R	R	R	R	R	R	R	R	8	0	R	R	R	R	R	131	17	89
25. Roybal (D)	R	R	R	R	R	R	R	R	8	0	R	R	R	R	R	226	15	94
26. Rousselot (R)	A	W	W	W	W	W	W	W	0	7	W	W	W	W	W	17	187	8
27. Dornan (R)	W	W	A	W	W	A	W	W	0	6	W	A	A	W	W	8	94	8
28. Dixon (D)	R	R	R	R	R	R	R	R	8	0	R	R	R	R	R	60	3	95
29. Hawkins (D)	R	A	R	R	R	R	R	R	7	0	R	R	R	R	R	217	11	95
30. Martinez (D)	*	*	R	R	R	R	R	R	6	0	*	*	*	*	R	7	0	100
31. Dymally (D)	R	A	A	R	R	R	R	R	6	0	R	R	R	R	R	21	1	95
32. Anderson G. (D)	R	R	R	R	R	R	R	R	8	0	W	R	R	R	R	174	34	84
33. Grisham (R)	W	A	W	W	W	W	W	W	0	7	W	W	W	R	W	6	57	10
34. Lungren (R)	W	W	W	W	W	W	W	W	0	8	W	W	W	W	W	4	63	6
35. Dreier (R)	W	A	W	W	W	W	W	W	0	7	W	W	W	W	W	0	27	0
36. Brown G. (D)	R	A	R	R	R	A	R	R	6	0	R	R	R	R	R	186	21	90
37. Lewis (R)	W	W	W	W	W	R	W	W	1	7	W	W	W	W	W	8	56	13
38. Patterson (D)	R	R	W	W	R	R	R	W	5	3	R	R	R	R	R	116	21	85
39. Dannemeyer (R)	W	W	W	W	W	W	W	W	0	8	W	W	R	W	W	5	62	7
40. Badham (R)	W	W	W	W	W	W	W	W	0	8	W	W	W	W	W	12	91	12
41. Lowery (R)	R	W	W	W	W	W	W	W	1	7	W	W	W	W	W	1	27	4
42. Hunter (R)	R	W	W	W	W	W	A	W	1	6	W	W	W	W	W	5	22	19
43. Burgener (R)	W	W	W	W	W	A	W	W	0	7	W	W	W	W	W	24	145	14
COLORADO																		
1. Schroeder (D)	R	R	W	R	A	R	R	R	6	1	R	R	R	R	A	128	45	74
2. Wirth (D)	R	R	W	R	R	A	R	R	6	1	W	R	R	R	R	109	39	74
3. Kogovsek (D)	R	R	W	R	R	R	R	R	7	1	W	R	R	R	R	55	11	83
4. Brown (R)	W	W	W	W	W	W	W	W	0	8	W	W	W	W	W	2	26	7
5. Kramer (R)	R	W	W	W	R	W	R	W	3	5	W	W	W	R	W	11	52	17
CONNECTICUT																		
1. Kennelly (D)	R	R	R	R	R	R	R	R	8	0	R	R	R	R	R	13	0	100
2. Gejdenson (D)	R	R	R	R	R	R	R	R	8	0	R	R	R	R	R	25	3	89
3. DeNardis (R)	R	R	R	R	R	R	A	R	7	0	W	W	R	R	R	17	10	63
4. McKinney (R)	R	R	R	R	R	R	W	R	7	1	W	W	R	R	R	108	74	59
5. Ratchford (D)	R	R	R	R	R	R	R	R	8	0	W	R	R	R	R	56	10	85
6. Moffett (D)	R	R	A	R	R	A	A	R	5	0	R	R	R	R	R	133	15	90
DELAWARE																		
AL Evans T. (R)	R	R	R	W	W	R	W	W	4	4	W	W	W	W	R	24	79	23
FLORIDA																		
1. Hutto (D)	R	W	W	W	R	W	R	R	4	4	W	W	W	A	R	27	38	42
2. Fuqua (D)	R	W	W	W	A	W	R	R	3	4	W	W	W	W	R	82	149	35
3. Bennett (D)	R	W	W	W	R	R	W	R	4	4	R	W	R	W	W	130	172	43
4. Chappell (D)	A	W	W	A	A	W	R	R	2	3	W	W	W	W	R	62	140	31
5. McCollum (R)	R	W	W	W	W	W	W	W	1	7	W	W	W	W	R	4	24	14
6. Young C. W. (R)	W	W	W	W	W	W	R	W	1	7	W	W	W	W	W	32	168	14
7. Gibbons (D)	W	W	W	W	R	W	R	R	3	5	W	R	W	W	R	133	103	56
8. Ireland (D)	A	W	W	W	A	A	W	W	0	5	W	W	W	W	W	18	82	18
9. Nelson (D)	R	W	W	W	R	W	R	R	4	4	W	R	W	R	R	26	41	39
10. Bafalis (R)	W	A	A	A	A	A	A	A	0	1	W	W	W	W	A	24	138	15
11. Mica D)	R	W	W	R	R	W	R	R	5	3	W	R	R	R	R	33	32	51
12. Shaw (R)	R	W	W	W	W	W	R	W	2	6	W	W	W	W	R	3	25	11
13. Lehman (D)	R	R	W	R	R	A	R	R	6	1	R	R	R	R	R	147	26	85
14. Pepper (D)	R	R	A	R	R	R	R	R	7	0	R	R	R	R	R	221	16	93
15. Fascell (D)	R	R	W	R	R	R	R	R	7	1	R	R	R	R	R	232	51	82
GEORGIA																		
1. Ginn (D)	A	A	A	A	A	A	A	W	0	1	W	R	W	A	R	85	84	50
2. Hatcher (D)	R	R	R	R	R	R	A	R	7	0	W	R	W	A	R	17	8	68
3. Brinkley (D)	R	W	W	R	R	R	R	R	6	2	W	W	W	R	R	79	142	36
4. Levitas (D)	R	R	W	W	R	R	W	W	4	4	W	W	W	R	R	76	79	49
5. Fowler (D)	R	R	W	R	R	R	A	R	6	1	W	R	R	R	R	65	36	64
6. Gingrich (R)	R	W	W	W	W	W	W	W	1	7	W	W	W	W	W	3	62	5
7 McDonald (D)	W	W	W	W	W	W	W	W	0	8	W	W	W	W	W	10	146	6
8. Evans B. (D)	R	R	W	R	R	R	R	A	6	1	W	R	W	W	A	41	58	41
9. Jenkins (D)	R	R	W	A	R	W	W	W	3	4	W	R	W	R	R	37	65	36
10. Barnard (D)	R	W	W	W	R	W	W	W	2	6	W	W	W	A	R	18	85	17
HAWAII																		
1. Heftel (D)	R	A	R	W	R	R	R	R	6	1	R	R	W	R	R	74	31	70
2. Akaka (D)	R	R	R	R	R	R	R	R	8	0	R	R	R	R	R	91	19	83
IDAHO																		
1. Craig (R)	R	W	W	W	W	W	W	W	1	7	W	W	W	W	W	3	25	12
2. Hansen (R)	W	W	W	W	W	W	W	W	0	8	W	W	W	W	W	13	155	8
ILLINOIS																		
1. Washington (D)	R	R	R	R	R	R	A	R	7	0	R	R	R	R	R	25	2	93
2. Savage (D)	R	R	R	R	R	R	A	R	7	0	R	W	R	A	R	21	1	95
3. Russo (D)	R	R	R	R	R	R	R	R	8	0	W	W	R	R	R	118	36	77
4. Derwinski (R)	W	R	R	W	W	R	W	W	3	5	W	W	W	W	W	41	222	16
5. Fary (D)	R	R	R	R	R	R	R	R	8	0	R	R	R	R	R	124	17	88
6. Hyde (R)	W	R	R	W	W	W	W	W	2	6	A	W	W	W	W	31	126	20
7. Collins C. (D)	R	R	R	R	R	R	R	R	8	0	R	R	R	R	R	150	11	93
8. Rostenkowski (D)	R	R	R	R	R	R	R	R	8	0	W	R	R	R	R	230	30	88
9. Yates (D)	R	R	A	R	A	A	R	R	5	0	R	R	R	R	R	261	24	92
10. Porter (R)	R	W	R	W	W	W	W	W	2	6	W	W	W	W	R	6	33	15
11. Annunzio (D)	R	R	R	R	R	R	R	R	8	0	R	R	R	R	R	214	21	91
12. Crane P. (R)	W	W	W	W	W	W	W	W	0	8	W	W	W	W	W	13	175	7
13. McClory (R)	W	W	R	A	W	W	W	W	1	6	W	W	W	W	W	39	204	16
14. Erlenborn (R)	W	W	W	W	W	W	W	W	0	8	W	W	W	W	A	24	198	11
15. Corcoran (R)	R	W	R	W	W	W	W	W	2	6	W	W	W	W	W	11	97	10
16. Martin (R)	R	W	R	W	W	R	W	W	3	5	W	W	W	W	W	7	20	26
17. O'Brien (R)	R	R	R	W	W	R	R	R	6	2	W	W	W	W	R	36	136	21
18. Michel (R)	W	W	R	W	W	R	W	W	2	6	W	W	W	W	W	34	241	12
19. Railsback (R)	R	W	R	A	W	A	W	R	3	3	W	W	W	W	R	85	126	40
20. Findley (R)	W	R	R	W	W	R	W	R	4	4	W	W	W	R	R	54	199	21
21. Madigan (R)	W	R	R	W	W	R	W	W	3	5	W	W	W	W	W	49	122	29
22. Crane D. (R)	R	W	W	W	W	W	W	W	1	7	W	W	W	W	W	5	60	8
23. Price (D)	R	R	R	R	A	R	R	A	6	0	R	R	R	R	R	283	12	96
24. Simon (D)	R	R	R	R	R	R	A	R	7	0	R	R	R	R	R	118	28	81
INDIANA																		
1. Benjamin (D)**	R	R	R	R	R	R	R	*	7	0	R	R	R	R	*	92	16	85
2. Fithian (D)	R	R	R	R	R	A	R	R	7	0	R	R	R	R	R	105	41	72
3. Hiler (R)	W	W	R	W	W	W	W	W	1	7	W	W	W	W	W	3	25	11
4. Coats (R)	W	R	R	W	W	W	W	W	2	6	W	W	W	W	R	6	22	21
5. Hillis (R)	R	W	R	W	W	W	W	W	2	6	W	W	W	W	R	65	122	35
6. Evans D. (D)	R	R	R	R	R	R	R	R	8	0	R	R	R	R	R	100	49	67
7. Myers J. (R)	R	W	R	W	W	W	W	R	3	5	W	W	W	W	W	38	182	17
8. Deckard (R)	R	W	R	W	W	W	R	A	3	4	W	W	W	R	W	13	49	21
9. Hamilton (D)	R	R	R	R	R	R	R	R	8	0	W	R	W	R	R	159	77	67
10. Sharp (D)	R	R	R	A	R	R	R	R	7	0	W	R	R	R	R	107	47	69
11. Jacobs (D)	R	R	R	R	R	R	R	R	8	0	R	R	R	R	R	151	64	70
IOWA																		
1. Leach J. (R)	R	W	R	R	W	W	W	R	4	4	W	W	W	R	R	34	76	31
2. Tauke (R)	W	W	R	R	W	W	W	W	2	6	W	R	W	R	R	15	48	24
3. Evans (R)	R	W	R	W	R	W	W	R	4	4	W	R	W	W	R	10	18	36
4. Smith N. (D)	R	W	R	R	R	R	R	R	7	1	W	R	R	R	R	207	49	81
5. Harkin (D)	R	W	R	R	A	R	R	R	6	1	R	R	R	R	R	106	40	73
6. Bedell (D)	R	R	R	R	R	A	R	W	6	1	R	R	R	R	R	96	56	63
KANSAS																		
1. Roberts (R)	W	W	W	W	W	W	W	W	0	8	W	W	W	W	W	0	27	0
2. Jeffries (R)	W	W	W	W	W	W	W	W	0	8	W	W	W	W	W	4	62	6
3. Winn (R)	W	W	R	W	W	W	W	W	1	7	W	W	W	R	W	36	174	17
4. Glickman (D)	W	R	W	R	R	R	R	R	6	2	W	R	R	R	R	65	45	59
5. Whittaker (R)	W	W	R	W	W	W	W	W	1	7	W	W	W	W	W	6	61	9
KENTUCKY																		
1. Hubbard (D)	R	W	W	R	W	R	R	R	5	3	W	R	R	R	W	88	63	58
2. Natcher (D)	R	R	R	R	R	R	R	R	8	0	W	R	R	R	R	206	86	71
3. Mazzoli (D)	R	R	R	R	R	R	R	R	8	0	W	R	R	R	R	134	58	70
4. Snyder (R)	R	W	W	W	W	W	R	A	2	5	W	W	W	W	W	48	185	21
5. Rogers (R)	R	R	W	W	W	W	R	W	3	5	W	W	W	W	R	10	18	36
6. Hopkins (R)	R	R	W	W	W	W	R	W	3	5	W	W	W	R	R	19	45	30
7. Perkins (D)	R	R	R	R	R	R	R	R	8	0	R	R	R	R	R	265	31	90
LOUISIANA																		
1. Livingston (R)	W	A	W	W	W	W	W	W	0	7	W	W	W	W	W	12	81	13
2. Boggs (D)	R	W	W	R	R	R	R	R	6	2	W	R	R	R	R	118	49	71
3. Tauzin (D)	R	W	W	W	W	W	W	W	1	7	W	W	W	R	W	7	23	23
4. Roemer (D)	R	W	W	W	W	W	W	W	1	7	W	W	W	W	W	4	24	14
5. Huckaby (D)	W	W	W	R	R	A	R	R	4	3	W	W	W	R	R	30	77	28
6. Moore (R)	W	W	W	W	W	W	W	W	0	8	W	W	W	W	W	13	140	8
7. Breaux (D)	W	W	W	W	R	W	W	W	1	7	W	W	W	W	R	59	111	35
8. Long G. (D)	R	W	W	R	R	R	R	R	6	2	W	R	R	R	R	131	89	60
MAINE																		
1. Emery (R)	R	W	R	W	W	W	W	W	2	6	W	W	W	R	R	59	95	38
2. Snowe (R)	R	W	R	R	W	W	W	W	3	5	W	W	W	R	R	29	37	44
MARYLAND																		
1. Dyson (D)	R	R	R	R	R	R	R	W	7	1	R	W	W	R	R	22	6	79
2. Long C. (D)	R	R	R	R	R	W	R	R	7	1	W	R	R	R	R	173	69	71
3. Mikulski (D)	R	A	R	R	R	R	R	R	7	0	R	R	R	R	R	96	11	90
4. Holt (R)	A	W	W	W	W	W	R	W	1	6	W	W	W	W	R	29	144	17
5. Hoyer (D)	R	R	R	R	R	R	R	R	8	0	R	R	R	R	R	24	1	96
6. Byron B. (D)	R	R	R	R	R	W	R	W	6	2	W	W	W	R	R	30	36	45
7. Mitchell P. (D)	R	R	R	R	R	R	R	R	8	0	R	R	R	R	R	186	11	94
8. Barnes (D)	R	R	R	R	R	R	R	R	8	0	R	R	R	R	R	59	6	91
MASSACHUSETTS																		
1. Conte (R)	R	R	R	R	R	R	W	W	6	2	W	W	W	W	R	164	105	61
2. Boland (D)	R	R	R	R	A	R	R	R	7	0	R	R	R	R	R	259	33	89
3. Early (D)	R	R	R	R	R	R	R	R	8	0	R	R	R	R	R	124	26	83
4. Frank (D)	R	R	R	R	R	R	R	R	8	0	R	R	R	R	R	26	2	93
5. Shannon (D)	R	R	R	R	A	R	R	R	7	0	R	R	R	R	R	58	7	89
6. Mavroules (D)	R	R	R	R	R	R	R	R	8	0	R	R	R	R	R	58	7	89
7. Markey (D)	R	R	R	R	R	R	R	R	8	0	R	R	R	R	R	94	15	86
8. O'Neill (D)	Speaker														R	174	9	95
9. Moakley (D)	R	R	R	A	R	R	R	R	7	0	R	R	R	R	R	156	16	91
10. Heckler (R)	R	R	R	R	R	R	R	R	8	0	R	W	R	R	R	154	64	70
11. Donnelly (D)	R	R	R	R	R	R	R	R	8	0	R	R	R	R	R	53	11	83
12. Studds (D)	R	R	R	R	R	R	R	R	8	0	R	R	R	R	R	160	18	90
MICHIGAN																		
1. Conyers (D)	R	R	W	R	A	A	A	R	4	1	R	W	R	R	R	192	20	91
2. Pursell (R)	W	W	R	A	R	A	W	W	2	4	W	W	W	W	R	56	46	55
3. Wolpe (D)	R	R	R	R	R	R	R	R	8	0	R	R	R	R	R	58	9	87
4. Siljander (R)	W	R	A	W	W	A	A	W	1	4	W	W	W	A	W	2	22	8
5. Sawyer (R)	R	W	R	W	W	R	W	W	3	5	W	W	W	W	W	21	82	20
6. Dunn (R)	R	W	R	W	W	W	W	R	3	5	W	W	W	R	R	9	19	32
7. Kildee (D)	R	R	R	R	R	R	R	R	8	0	R	R	R	R	R	99	11	90
8. Traxler (D)	A	R	R	A	R	R	R	R	6	0	R	R	R	R	R	129	25	84
9. Vander Jagt (R)	W	W	R	W	W	R	W	W	2	6	W	W	W	R	R	37	176	17
10. Albosta (D)	R	R	R	R	R	R	R	R	8	0	R	R	R	R	R	53	14	79
11. Davis (R)	R	R	R	A	R	R	R	R	7	0	W	R	W	R	R	35	30	54
12. Bonior (D)	R	R	A	A	R	R	R	R	6	0	R	R	R	R	R	97	10	91
13. Crockett (D)	R	R	R	R	R	A	A	R	6	0	R	R	R	A	R	20	1	95
14. Hertel (D)	R	R	R	A	R	R	A	R	6	0	R	R	R	R	R	22	3	88
15. Ford W. (D)	R	R	R	R	R	R	R	R	8	0	R	R	R	R	R	212	9	96
16. Dingell (D)	R	R	R	R	R	R	R	R	8	0	R	R	R	R	R	251	22	92
17. Brodhead (D)	R	R	R	A	R	R	R	R	7	0	R	R	R	R	R	143	11	93
18. Blanchard (D)	A	R	A	A	A	R	A	A	2	0	R	R	R	A	R	132	15	90
19. Broomfield (R)	W	W	R	W	W	A	W	W	1	6	W	W	W	R	W	45	164	22
MINNESOTA																		
1. Erdahl (R)	R	W	R	R	W	W	W	W	3	5	W	W	W	W	R	14	51	22
2. Hagedorn (R)	R	W	R	W	W	W	W	W	2	6	W	W	W	W	W	17	134	11
3. Frenzel (R)	W	W	W	W	W	W	W	W	0	8	W	W	W	W	W	34	162	17
4. Vento (D)	R	R	R	R	R	R	R	R	8	0	R	R	R	R	R	99	11	90
5. Sabo (D)	R	R	R	R	R	R	R	R	8	0	R	R	R	R	R	60	7	90
6. Weber (R)	W	W	R	W	W	W	W	W	1	7	W	W	W	W	W	2	26	7
7. Stangeland (R)	W	W	A	W	W	W	W	W	0	7	W	W	W	W	R	14	95	13
8. Oberstar (D)	R	R	R	R	R	R	R	R	8	0	R	R	R	R	R	142	13	92

Key to Symbols

R Voted Right or was paired Right.

W Voted Wrong or was paired Wrong.

A Absent and not paired or voted "present."

* Not in Congress at time.

** Deceased

*** Resigned

Number before each name shows congressional district.

he U.S. House of Representatives

	Saving U.S. Jobs 1	Mine Safety and Health 2	Jobs 3	Food Stamps for the Jobless 4	Job Training 5	Davis-Bacon 6	Federal Workers' Pensions 7	Job-Creation 8	Total Labor Votes R	Total Labor Votes W	Saving Federal Programs I 9	Saving Federal Programs II 10	Saving Federal Programs III 11	Key Programs: Housing 12	Stopping Reaganomics 13	Cumulative Voting Record R	Cumulative Voting Record W	Cumulative Right Percentage %
MISSISSIPPI																		
1. Whitten (D)	R	R	W	R	R	W	R	R	6	2	W	R	R	R	R	95	198	32
2. Bowen (D)	R	R	W	R	R	R	R	R	7	1	R	R	R	R	A	65	108	38
3. Montgomery (D)	R	W	W	W	W	W	W	W	1	7	W	W	W	W	W	24	194	11
4. Dowdy (D)	R	R	W	R	R	R	R	R	7	1	R	R	R	R	R	20	4	83
5. Lott (R)	W	W	W	W	W	R	W	W	1	7	W	W	W	W	W	27	143	16
MISSOURI																		
1. Clay (D)	A	R	A	R	R	A	A	R	4	0	R	R	R	A	R	176	12	94
2. Young R. (D)	R	W	W	A	R	R	A	R	4	2	W	R	W	R	R	77	27	74
3. Gephardt (D)	R	R	R	W	R	R	R	R	7	1	W	R	W	R	R	80	29	73
4. Skelton (D)	R	W	W	W	A	R	R	R	4	3	W	W	W	R	R	63	40	61
5. Bolling (D)	R	R	A	R	R	R	A	A	5	0	R	A	A	A	R	241	16	94
6. Coleman (R)	R	W	R	W	W	W	W	W	2	6	W	W	W	R	R	17	91	16
7. Taylor (R)	R	W	W	W	W	R	W	W	2	6	W	W	W	W	W	22	152	13
8. Bailey (R)	W	W	R	W	W	W	W	W	1	7	W	W	W	W	W	3	24	11
9. Volkmer (D)	R	R	W	W	R	R	R	R	6	2	W	R	W	R	R	69	37	65
10. Emerson (R)	R	R	W	W	W	W	W	W	2	6	W	W	W	W	R	6	22	21
MONTANA																		
1. Williams P. (D)	R	R	R	R	R	R	R	R	8	0	R	R	R	R	R	55	11	83
2. Marlenee (R)	A	W	R	W	W	R	W	A	2	4	W	W	W	R	W	26	78	25
NEBRASKA																		
1. Bereuter (R)	R	W	W	W	W	W	W	W	1	7	W	W	W	W	R	13	54	19
2. Daub (R)	R	W	R	W	W	W	R	W	3	5	W	W	W	W	W	5	23	18
3. Smith V. (R)	W	W	W	W	W	W	W	W	0	8	W	W	W	W	R	16	138	10
NEVADA																		
AL Santini (D)	A	W	W	R	R	A	R	A	3	2	W	W	R	R	R	63	81	44
NEW HAMPSHIRE																		
1. D'Amours (D)	R	R	R	R	R	R	R	R	8	0	R	W	R	R	R	120	35	77
2. Gregg (R)	R	W	W	W	W	W	W	W	1	7	W	W	W	W	W	2	26	7
NEW JERSEY																		
1. Florio (D)	R	R	R	R	R	R	R	R	8	0	R	R	R	R	R	132	17	89
2. Hughes (D)	R	R	R	R	R	R	R	R	8	0	R	R	R	W	R	111	42	73
3. Howard (D)	R	R	R	R	R	R	R	R	8	0	R	R	R	R	R	207	14	94
4. Smith (R)	R	R	R	R	W	R	R	R	7	1	W	W	R	R	R	16	12	57
5. Fenwick (R)	R	A	R	R	W	R	W	R	5	2	A	W	W	W	R	68	84	45
6. Forsythe (R)	W	W	R	W	W	W	R	A	2	5	W	W	W	W	W	47	131	26
7. Roukema (R)	R	R	R	W	W	W	W	W	3	5	W	W	W	W	R	8	20	29
8. Roe (D)	R	R	R	R	R	R	R	R	8	0	R	R	R	R	R	178	19	90
9. Hollenbeck (R)	R	R	R	R	R	R	R	R	8	0	R	W	R	R	R	81	27	75
10. Rodino (D)	R	R	R	R	R	R	R	R	8	0	R	R	R	R	R	273	15	95
11. Minish (D)	R	R	R	R	R	R	R	R	8	0	R	R	R	R	R	225	20	92
12. Rinaldo (R)	R	R	R	R	R	A	R	R	7	0	R	W	R	R	R	136	37	79
13. Courter (R)	R	A	R	W	W	A	R	W	3	3	W	W	W	W	W	11	53	17
14. Guarini (D)	R	R	R	R	R	R	R	R	8	0	R	R	R	R	R	60	7	90
15. Dwyer (D)	R	R	R	R	R	R	R	R	8	0	R	R	R	R	R	27	1	96
NEW MEXICO																		
1. Lujan (R)	R	W	W	W	W	W	W	W	1	7	W	W	W	W	W	45	147	23
2. Skeen (R)	R	W	W	W	W	W	W	W	1	7	W	W	W	W	W	4	24	14
NEW YORK																		
1. Carney (R)	R	W	R	A	W	R	R	W	4	3	W	W	W	W	W	15	50	23
2. Downey (D)	R	R	R	R	R	R	R	R	8	0	R	R	R	R	R	132	17	89
3. Carman (R)	R	W	R	R	W	R	W	W	4	4	W	W	W	W	W	4	24	14
4. Lent (R)	R	R	R	R	W	R	R	W	6	2	W	W	W	W	R	56	136	29
5. McGrath (R)	R	R	R	R	W	R	R	W	6	2	W	W	W	W	R	8	20	29
6. LeBoutillier (R)	W	W	R	W	W	R	R	W	3	5	W	W	W	W	R	6	21	22
7. Addabbo (D)	R	R	R	R	R	R	R	R	8	0	R	R	R	R	R	242	15	94
8. Rosenthal (D)	R	R	R	R	R	A	A	R	6	0	R	R	R	R	R	218	12	95
9. Ferraro (D)	R	R	R	R	R	A	R	R	7	0	R	R	R	R	R	58	6	91
10. Biaggi (D)	R	R	A	R	R	R	R	R	7	0	R	R	R	R	R	175	29	86
11. Scheuer (D)	R	R	R	R	R	R	R	R	8	0	R	R	R	R	R	192	17	92
12. Chisholm (D)	R	R	R	R	R	A	R	R	7	0	R	R	R	R	R	186	10	95
13. Solarz (D)	R	R	R	R	R	R	R	R	8	0	R	R	R	R	R	135	16	89
14. Richmond (D)***	R	R	R	R	R	A	R	*	6	0	R	R	R	R	*	137	11	93
15. Zeferetti (D)	R	R	R	R	R	R	R	R	8	0	R	R	R	R	R	135	14	91
16. Schumer (D)	R	R	R	R	R	R	R	R	8	0	R	R	R	A	A	24	1	96
17. Molinari (R)	A	W	R	W	W	W	R	W	2	5	W	W	W	A	R	7	19	27
18. Green (R)	R	R	R	R	R	R	R	W	7	1	W	W	R	W	R	48	37	56
19. Rangel (D)	R	R	R	R	R	R	R	R	8	0	R	R	R	R	R	178	13	96
20. Weiss (D)	R	R	R	R	R	R	R	R	8	0	R	R	R	R	A	99	9	92
21. Garcia (D)	R	R	R	R	R	R	R	R	8	0	R	R	R	A	R	75	4	95
22. Bingham (D)	R	R	R	R	R	R	R	R	8	0	R	R	R	R	R	210	21	91
23. Peyser (D)	R	R	R	R	R	R	R	R	8	0	R	R	R	R	R	124	18	87
24. Ottinger (D)	R	R	R	R	R	R	R	R	8	0	R	R	R	R	R	169	21	89
25. Fish (R)	R	W	R	R	W	R	W	R	5	3	W	W	W	R	R	90	115	44
26. Gilman (R)	R	R	R	R	W	R	R	R	7	1	W	W	R	R	R	123	50	71
27. McHugh (D)	R	R	R	R	R	R	R	R	8	0	R	R	R	R	R	124	25	83
28. Stratton (D)	R	W	R	R	R	R	W	R	6	2	W	R	R	R	R	202	55	79
29. Solomon (R)	R	W	R	W	W	A	W	W	2	5	W	W	W	W	W	12	52	19
30. Martin (R)	R	W	R	W	W	R	W	W	3	5	W	W	W	W	R	6	22	21
31. Mitchell D. (R)	R	W	R	R	W	R	R	R	6	2	W	W	W	R	R	76	98	44
32. Wortley (R)	A	W	R	W	W	W	W	W	1	6	W	W	W	W	R	5	22	19
33. Lee (R)	W	W	R	W	W	R	W	A	2	5	W	W	W	W	R	15	48	24
34. Horton (R)	R	W	R	R	R	R	R	W	6	2	W	W	W	R	R	160	84	66
35. Conable (R)	W	W	R	W	W	R	W	W	2	6	W	W	W	W	R	38	193	16
36. LaFalce (D)	R	A	R	R	R	R	R	R	7	0	R	R	R	R	R	123	29	81
37. Nowak (D)	R	R	R	R	R	R	R	R	8	0	R	R	R	R	R	138	18	88
38. Kemp (R)	W	R	R	W	W	R	W	W	3	5	W	W	R	W	W	37	154	19
39. Lundine (D)	R	R	R	R	R	R	R	R	8	0	W	R	R	R	R	99	24	80
NORTH CAROLINA																		
1. Jones W. (D)	R	R	W	R	R	A	R	R	6	1	W	R	R	A	R	88	125	41
2. Fountain (D)	R	W	W	W	W	W	W	A	1	6	W	R	W	R	R	53	209	20
3. Whitley (D)	R	W	W	W	R	W	R	R	4	4	W	R	W	R	R	49	58	46
4. Andrews I. (D)	A	W	W	W	R	W	R	R	3	4	W	R	R	R	R	76	89	46
5. Neal (D)	R	A	W	A	R	W	R	R	4	2	A	W	R	R	R	71	77	48
6. Johnston (R)	A	W	W	W	W	W	W	W	0	7	W	W	W	W	W	0	26	0
7. Rose (D)	R	R	W	A	R	W	R	R	5	2	W	R	R	R	R	99	62	61
8. Hefner (D)	R	W	W	W	R	W	R	R	4	4	W	R	R	R	R	72	77	48
9. Martin (R)	W	W	W	W	W	W	W	W	0	8	W	W	W	W	W	13	159	7
10. Broyhill (R)	R	W	W	W	W	W	W	W	1	7	W	W	W	W	W	20	224	8
11. Hendon (R)	R	W	W	W	W	W	R	W	2	6	W	W	W	R	R	8	20	29
NORTH DAKOTA																		
AL Dorgan (D)	R	R	R	R	R	R	R	R	8	0	W	R	R	R	R	23	5	82
OHIO																		
1. Gradison (R)	W	W	W	W	W	R	W	W	1	7	W	W	W	W	W	26	125	17
2. Luken (D)	R	R	R	R	R	A	R	R	7	0	W	R	R	R	R	91	27	77
3. Hall T. (D)	R	R	R	R	A	A	A	R	5	0	W	R	R	R	W	48	14	77
4. Oxley (R)	R	W	R	W	W	W	W	W	2	6	W	W	W	W	W	4	19	17
5. Latta (R)	W	R	R	W	W	W	W	W	2	6	W	W	W	W	W	35	235	13
6. McEwen (R)	R	R	R	R	W	W	W	W	4	4	R	W	W	W	W	8	20	29
7. Brown C. (R)	A	A	A	A	A	A	A	R	1	0	A	W	W	A	A	39	162	19
8. Kindness (R)	R	W	R	W	W	W	W	W	2	6	W	W	W	W	W	19	133	13
9. Weber (R)	R	R	R	W	W	R	W	W	4	4	W	W	W	W	R	8	20	29
10. Miller C. (R)	R	W	R	W	W	W	W	W	2	6	W	W	W	W	W	28	198	12
11. Stanton (R)	W	A	R	W	W	A	W	W	1	5	A	W	W	W	W	68	163	29
12. Shamansky (D)	R	R	R	R	R	R	R	R	8	0	W	R	R	R	R	23	5	82
13. Pease (D)	R	R	R	R	R	R	R	R	8	0	R	R	R	R	R	90	19	83
14. Seiberling (D)	R	R	R	R	R	R	R	R	8	0	R	R	R	R	R	174	21	89
15. Wylie (R)	R	W	R	R	W	R	W	W	4	4	W	W	W	R	W	51	167	23
16. Regula (R)	R	R	R	W	W	R	W	W	4	4	W	W	W	W	R	54	125	30
17. Ashbrook (R)	R	*	R	W	W	W	W	W	2	5	*	*	*	*	W	2	6	25
18. Applegate (D)	R	R	R	R	R	R	R	R	8	0	R	W	R	R	R	79	31	72
19. Williams L. (R)	R	R	R	R	R	R	R	R	8	0	R	W	W	R	R	39	27	59
20. Oakar (D)	R	R	A	R	R	R	R	R	7	0	R	R	R	R	R	98	9	92
21. Stokes (D)	R	R	R	R	R	R	R	R	8	0	R	R	R	R	R	181	11	94
22. Eckart (D)	R	R	R	R	R	R	R	R	8	0	R	R	R	R	R	26	2	93
23. Mottl (D)	R	R	R	W	R	R	R	R	7	1	R	R	R	R	R	102	49	68
OKLAHOMA																		
1. Jones J. (D)	W	R	W	R	R	W	R	A	4	3	W	R	R	R	R	75	94	44
2. Synar (D)	R	R	W	R	R	R	R	W	6	2	W	R	R	R	R	40	26	61
3. Watkins (D)	R	W	W	R	R	W	R	R	5	3	W	R	R	R	R	38	78	33
4. McCurdy (D)	R	W	W	R	W	A	R	A	3	3	W	W	W	W	R	13	13	50
5. Edwards M. (R)	W	W	W	W	W	W	W	W	0	8	W	W	W	W	W	8	100	7
6. English (D)	R	W	W	R	W	W	R	W	3	5	W	W	R	W	R	42	112	27
OREGON																		
1. AuCoin (D)	R	R	R	A	R	R	A	R	6	0	R	R	R	R	R	100	47	68
2. Smith (R)	W	W	W	W	W	W	W	W	0	8	W	W	W	R	W	1	27	4
3. Wyden (D)	R	R	R	R	R	R	R	R	8	0	R	R	R	R	R	26	2	93
4. Weaver (D)	R	R	R	R	R	A	R	R	7	0	R	R	R	R	R	127	20	86
PENNSYLVANIA																		
1. Foglietta (D)	A	A	R	R	R	R	R	R	6	0	R	R	R	R	R	24	2	92
2. Gray (D)	R	A	R	R	R	R	R	R	7	0	R	R	R	A	R	62	2	97
3. Smith (D)	R	A	A	R	R	R	R	R	6	0	R	R	R	R	R	19	0	100
4. Dougherty (R)	R	R	R	R	W	R	R	R	7	1	W	W	R	R	R	39	25	61
5. Schulze (R)	R	W	R	W	W	W	W	A	2	5	W	W	W	R	R	28	123	19
6. Yatron (D)	R	R	R	R	R	R	R	R	8	0	R	R	R	R	R	166	39	81
7. Edgar (D)	R	R	R	R	R	R	R	R	8	0	R	R	R	A	R	130	18	88
8. Coyne, J. (R)	R	R	R	R	W	R	R	R	7	1	W	W	W	R	R	13	15	46
9. Shuster (R)	R	R	R	W	W	W	W	W	3	5	W	W	W	W	R	27	148	15
10. McDade (R)	R	R	R	W	R	R	R	R	7	1	R	W	W	R	R	161	82	66
11. Nelligan (R)	R	R	R	W	R	R	R	R	7	1	W	W	W	R	R	15	12	56
12. Murtha (D)	R	R	R	R	R	R	R	R	8	0	R	R	R	R	R	136	25	84
13. Coughlin (R)	R	R	R	W	W	R	W	W	4	4	W	W	W	W	R	68	140	33
14. Coyne, W. (D)	R	R	R	R	R	R	R	R	8	0	R	R	R	R	R	26	2	93
15. Ritter (R)	R	R	R	W	W	R	W	W	4	4	W	W	W	W	W	18	48	27
16. Walker (R)	R	R	R	W	W	W	W	W	3	5	W	W	W	W	W	22	87	20
17. Ertel (D)	A	R	R	R	R	A	A	R	5	0	R	R	R	A	R	75	26	74
18. Walgren (D)	R	R	R	W	R	R	R	R	7	1	R	R	R	R	R	88	20	81
19. Goodling (R)	R	W	R	W	W	W	W	W	2	6	W	W	W	W	R	36	113	24
20. Gaydos (D)	R	R	R	R	R	R	R	R	8	0	R	R	R	R	R	178	18	91
21. Bailey (D)	R	R	R	R	R	R	R	R	8	0	R	R	R	R	R	58	9	87
22. Murphy A. (D)	R	R	R	R	R	R	R	R	8	0	A	W	R	R	R	82	24	77
23. Clinger (R)	W	W	R	W	W	R	W	W	2	6	W	W	W	W	R	22	42	34
24. Marks (R)	W	R	A	A	A	R	A	R	3	1	W	W	R	R	R	60	46	57
25. Atkinson (R)	R	R	R	R	W	R	W	R	6	2	R	W	W	R	W	36	31	54
RHODE ISLAND																		
1. St Germain (D)	R	R	R	R	R	R	R	R	8	0	R	R	R	R	R	224	24	90
2. Schneider (R)	R	A	R	R	R	A	R	R	6	0	R	W	R	R	R	17	9	65
SOUTH CAROLINA																		
1. Hartnett (R)	R	W	W	W	W	W	W	W	1	7	W	W	W	W	W	2	25	7
2. Spence (R)	R	W	W	W	W	W	W	W	1	7	W	W	W	W	W	30	168	15
3. Derrick (D)	R	R	W	W	R	W	R	R	5	3	W	R	R	R	R	85	63	57
4. Campbell (R)	R	A	W	W	W	A	W	W	1	5	W	W	W	W	W	6	56	10
5. Holland (D)	R	R	W	R	W	R	W	R	5	3	W	A	A	A	R	73	57	56
6. Napier (R)	R	W	W	W	W	W	R	R	3	5	W	W	W	R	W	7	20	26
SOUTH DAKOTA																		
1. Daschle (D)	R	R	R	R	R	R	A	R	7	0	R	R	R	R	R	54	11	83
2. Roberts (R)	A	W	W	W	W	W	W	W	0	7	W	W	W	W	R	2	23	8
TENNESSEE																		
1. Quillen (R)	R	W	W	W	W	R	W	W	2	6	W	W	W	W	W	34	202	14
2. Duncan J. (R)	W	R	W	W	W	W	W	W	1	7	W	W	W	R	R	42	196	18
3. Bouquard (D)	R	W	W	W	R	R	R	R	5	3	W	R	R	R	R	88	66	57
4. Gore (D)	R	R	W	R	R	R	R	R	7	1	R	R	R	R	R	88	21	81
5. Boner (D)	A	R	W	R	R	R	R	R	6	1	W	R	R	A	R	52	12	81
6. Beard R. (R)	R	W	W	W	A	W	A	W	1	5	W	W	W	W	R	22	137	14
7. Jones E. (D)	A	W	A	R	A	R	A	R	3	1	W	R	W	R	R	118	79	60
8. Ford H. (D)	R	R	A	R	A	R	A	R	5	0	R	R	R	R	R	137	13	91
TEXAS																		
1. Hall S. (D)	R	W	W	W	W	W	W	W	1	7	W	W	W	R	W	26	87	23
2. Wilson C. (D)	R	R	W	A	W	R	R	R	5	2	W	W	W	A	R	103	62	62
3. Collins J. (R)	W	W	W	W	W	A	W	W	0	7	W	W	W	W	W	14	197	6
4. Hall, R. (D)	R	W	W	W	W	W	R	W	2	6	W	W	W	R	W	7	21	25
5. Mattox (D)	R	A	W	R	R	R	R	A	5	1	A	R	R	R	R	65	37	64
6. Gramm (D)	W	W	W	W	W	W	W	W	0	8	W	W	W	W	W	8	59	12
7. Archer (R)	W	W	W	W	W	W	W	W	0	8	W	W	W	W	W	11	189	6
8. Fields (R)	W	W	W	W	W	W	W	W	0	8	W	W	W	W	W	1	27	4
9. Brooks (D)	R	R	W	R	R	R	R	A	6	1	W	R	R	R	R	203	75	73
10. Pickle (D)	R	W	W	R	R	R	R	A	5	2	W	R	W	W	R	121	114	51
11. Leath (D)	W	W	A	W	W	W	R	W	1	6	W	W	W	W	R	13	49	21
12. Wright (D)	R	R	W	R	R	R	R	R	7	1	W	R	R	R	R	197	68	74
13. Hightower (D)	R	W	W	R	A	W	R	W	3	4	W	R	W	R	R	52	100	34
14. Patman (D)	W	W	W	W	W	R	R	W	2	6	W	R	W	R	W	12	15	44
15. de la Garza (D)	R	W	W	R	R	R	R	R	6	2	W	R	R	R	R	123	100	55
16. White (D)	R	W	W	R	W	W	R	W	3	5	W	W	W	R	R	89	148	38
17. Stenholm (D)	R	W	W	W	W	W	A	W	1	6	W	W	W	W	W	10	55	15
18. Leland (D)	A	R	R	R	R	R	A	R	6	0	R	R	R	R	R	59	4	94
19. Hance (D)	R	R	W	R	W	W	W	W	3	5	W	R	W	W	R	20	46	30
20. Gonzalez (D)	R	R	W	R	R	R	R	R	7	1	W	R	R	W	R	224	25	90
21. Loeffler (R)	W	W	W	W	W	W	W	W	0	8	W	W	W	W	W	6	61	9
22. Paul (R)	W	W	W	W	W	W	W	A	0	7	W	W	W	W	W	5	77	6
23. Kazen (D)	R	W	W	R	R	W	R	R	5	3	W	R	R	R	R	120	108	53
24. Frost (D)	R	R	W	R	R	R	R	R	7	1	R	R	R	R	R	46	19	71
UTAH																		
1. Hansen (R)	R	A	W	W	W	A	W	W	1	5	W	W	W	W	W	2	22	8
2. Marriott (R)	R	W	R	R	W	A	W	W	3	4	W	W	W	R	A	18	81	18
VERMONT																		
AL Jeffords (R)	R	W	R	R	W	R	W	W	4	4	W	W	R	W	R	69	82	46
VIRGINIA																		
1. Trible (R)	R	R	W	W	W	W	R	W	3	5	W	W	W	R	W	17	92	16
2. Whitehurst (R)	R	W	W	W	W	A	R	W	2	5	W	W	W	R	W	32	171	16
3. Bliley (R)	R	W	W	W	W	W	W	W	1	7	W	W	W	W	W	3	25	11
4. Daniel R. W. (R)	R	W	W	W	W	A	R	W	2	5	W	W	W	W	W	18	156	10
5. Daniel D. (D)	R	W	W	W	W	W	W	W	1	7	W	W	W	W	R	21	190	10
6. Butler (R)	R	W	W	W	W	W	W	W	1	7	W	W	W	W	W	18	185	9
7. Robinson (R)	R	W	W	W	W	W	W	W	1	7	W	W	W	W	R	20	180	10
8. Parris (R)	R	W	W	W	W	W	R	W	2	6	W	W	W	R	R	8	19	30
9. Wampler (R)	R	R	A	W	R	W	W	W	3	4	W	W	W	R	R	47	180	21
10. Wolf (R)	R	W	W	W	W	W	R	W	2	6	W	W	W	R	R	4	24	14
WASHINGTON																		
1. Pritchard (R)	W	W	R	W	W	R	A	A	2	4	W	W	W	R	R	67	103	39
2. Swift (D)	R	R	R	R	R	R	R	R	8	0	R	R	R	R	R	53	14	79
3. Bonker (D)	A	R	R	A	R	R	R	R	6	0	R	R	R	R	R	120	23	84
4. Morrison (R)	W	W	R	W	W	R	W	W	2	6	W	W	W	R	R	5	23	18
5. Foley (D)	R	R	W	R	R	R	R	R	7	1	W	R	R	R	R	188	44	81
6. Dicks (D)	R	R	W	R	R	R	R	R	7	1	R	R	R	R	R	89	17	84
7. Lowry (D)	W	R	R	R	R	R	R	R	7	1	R	R	R	R	R	54	13	81
WEST VIRGINIA																		
1. Mollohan (D)	R	R	R	R	R	R	A	R	7	0	R	R	R	A	R	177	31	85
2. Benedict (R)	R	R	R	R	W	R	W	R	6	2	W	W	W	A	W	8	19	30
3. Staton (R)	R	R	W	W	W	R	W	R	4	4	W	W	W	R	W	9	19	32
4. Rahall (D)	R	R	A	R	R	R	R	R	7	0	R	R	R	R	R	89	17	84
WISCONSIN																		
1. Aspin (D)	R	R	W	R	R	R	R	R	7	1	R	R	R	R	R	158	34	82
2. Kastenmeier (D)	R	R	R	R	R	R	R	A	7	0	R	R	R	R	R	237	29	89
3. Gunderson (R)	R	W	A	W	W	R	W	W	2	5	W	W	W	R	R	7	20	26
4. Zablocki (D)	R	R	R	R	R	R	R	R	8	0	R	R	R	R	R	275	24	92
5. Reuss (D)	R	R	R	R	R	R	R	R	8	0	R	R	R	R	R	262	22	92
6. Petri (R)	R	R	R	W	W	R	W	W	4	4	W	W	W	W	R	21	44	32
7. Obey (D)	R	R	R	R	R	R	R	R	8	0	R	R	R	R	R	175	31	85
8. Roth (R)	R	W	W	W	W	A	W	W	1	6	W	W	W	R	W	8	55	13
9. Sensenbrenner (R)	R	W	R	W	W	W	W	W	2	6	W	W	R	W	W	9	58	13
WYOMING																		
AL Cheney (R)	W	W	W	W	W	W	W	W	0	8	W	W	W	W	W	5	62	7

How Your Senators Voted

	1 Unemployment Benefits	2 Mine Safety and Health	3 Immigration	4 Jobs for Stricken Areas	5 Eight-Hour Day	6 Railroad Pensions	7 Federal Workers' Pensions	8 Union Publications	9 Airline Employees	10 Stopping Reaganomics	Total Labor Votes R	Total Labor Votes W	11 Social Security	12 Federal Programs	13 Medicare/Medicaid	14 Education Programs	15 Housing	16 Fair Taxes	17 Voting Rights	18 Federal Programs	Cumulative Voting Record R	Cumulative Voting Record W	Cumulative Right Percentage %
ALABAMA																							
Heflin (D)	R	W	W	R	R	R	R	R	W	W	6	4	R	W	R	R	R	R	W	W	42	29	59
Denton (R)	W	A	W	W	A	W	W	W	W	W	0	8	W	W	W	W	W	W	W	W	2	33	6
ALASKA																							
Murkowski (R)	W	W	A	W	R	W	W	W	W	W	1	8	W	W	W	W	W	W	R	W	6	28	18
Stevens (R)	W	W	W	R	R	W	A	A	W	W	2	6	W	A	W	W	W	W	R	W	90	98	48
ARIZONA																							
DeConcini (D)	R	R	W	R	R	R	A	A	R	W	6	2	R	A	W	R	R	R	R	R	63	43	59
Goldwater (R)	W	W	W	W	W	W	W	W	W	W	0	10	W	W	W	W	W	W	R	W	20	200	9
ARKANSAS																							
Bumpers (D)	R	W	W	W	R	R	R	W	W	R	5	5	R	R	R	R	R	R	R	R	91	57	61
Pryor (D)	R	W	W	W	W	R	R	W	W	W	3	7	R	R	R	R	R	R	R	R	38	35	52
CALIFORNIA																							
Cranston (D)	R	R	R	R	R	R	R	R	R	R	10	0	R	R	R	R	R	R	R	R	182	16	92
Hayakawa (R)	W	W	A	W	A	W	W	W	W	W	0	8	W	W	W	W	A	W	W	W	13	93	12
COLORADO																							
Hart (D)	R	R	R	R	R	R	R	R	R	R	10	0	R	R	R	R	W	R	R	R	119	32	79
Armstrong (R)	W	W	W	W	W	W	W	W	W	W	0	10	W	W	W	W	W	W	W	W	1	71	1
CONNECTICUT																							
Dodd (D)	R	R	R	R	R	R	R	R	R	R	10	0	A	R	R	R	R	R	R	R	35	0	100
Weicker (R)	R	R	A	W	R	R	W	W	R	R	6	3	R	R	R	R	R	R	R	R	118	58	67
DELAWARE																							
Biden (D)	R	R	R	R	R	R	R	W	R	R	9	1	R	R	R	R	R	R	A	R	127	34	79
Roth (R)	W	W	W	W	W	R	W	W	W	W	1	9	R	W	W	W	W	W	R	R	38	157	19
FLORIDA																							
Chiles (D)	W	W	W	W	W	R	R	R	R	W	4	6	R	R	R	R	R	R	W	R	89	104	46
Hawkins (R)	W	W	W	R	W	R	R	W	W	W	3	7	A	W	W	W	A	W	R	R	10	24	29
GEORGIA																							
Nunn (D)	R	R	W	A	R	R	R	W	W	W	5	4	R	R	W	R	R	R	W	R	66	109	38
Mattingly (R)	W	R	W	W	A	W	W	W	W	W	1	8	W	W	W	W	A	W	W	W	3	32	9
HAWAII																							
Inouye (D)	R	A	R	R	R	R	R	R	R	R	9	0	R	R	R	R	R	A	R	R	183	25	88
Matsunaga (D)	R	R	W	R	W	R	R	R	R	R	8	2	R	R	R	R	R	R	R	R	94	16	85
IDAHO																							
Symms (R)	W	W	W	W	W	W	W	W	A	W	0	9	W	W	W	W	W	W	W	W	1	32	3
McClure (R)	W	W	W	A	W	W	W	W	W	W	0	9	W	W	W	W	W	W	W	A	16	149	10
ILLINOIS																							
Dixon (D)	R	R	R	A	R	R	R	R	R	W	8	1	R	R	R	R	R	R	R	R	27	8	77
Percy (R)	W	A	R	R	W	W	W	W	W	W	2	7	W	W	W	W	W	W	R	W	103	91	53
INDIANA																							
Quayle (R)	W	W	W	R	W	W	W	W	W	W	1	9	W	W	W	W	W	W	R	A	2	34	6
Lugar (R)	W	R	W	R	W	W	W	W	W	W	2	8	W	W	W	W	R	W	W	A	9	103	8
IOWA																							
Grassley (R)	W	W	W	W	W	W	W	W	W	W	0	10	W	W	W	W	W	W	R	R	3	33	8
Jepsen (R)	W	W	W	W	W	W	W	W	W	W	0	10	W	W	W	W	W	W	R	R	6	67	8
KANSAS																							
Dole (R)	W	W	A	R	W	W	W	W	R	W	2	7	W	W	W	W	W	W	R	W	35	161	18
Kassebaum (R)	W	A	W	W	A	W	W	W	W	R	1	7	W	W	W	W	W	W	R	W	11	58	16
KENTUCKY																							
Ford (D)	R	W	W	R	R	R	R	R	W	R	7	3	R	R	R	R	R	R	R	R	107	43	71
Huddleston (D)	R	R	W	W	R	A	A	A	W	W	3	4	R	R	R	R	R	R	R	R	115	47	71
LOUISIANA																							
Johnston (D)	W	W	R	W	R	R	R	R	W	W	5	5	R	R	R	R	W	R	W	W	65	95	41
Long (D)	W	W	R	W	R	R	R	R	W	W	5	5	A	R	R	R	W	R	W	W	131	133	50
MAINE																							
Mitchell (D)	R	R	R	R	R	R	R	R	R	R	10	0	R	R	R	R	R	R	R	R	43	3	93
Cohen (R)	W	W	R	R	W	W	W	W	W	R	3	7	W	W	W	W	W	W	R	R	22	50	31
MARYLAND																							
Sarbanes (D)	R	R	R	A	R	R	R	R	R	R	9	0	R	R	R	R	R	R	R	R	106	3	97
Mathias (R)	W	R	A	R	R	R	R	W	R	R	7	2	W	W	W	R	W	W	R	R	148	49	75
MASSACHUSETTS																							
Kennedy (D)	R	R	R	R	R	R	R	R	R	R	10	0	R	R	R	R	R	R	R	R	201	16	93
Tsongas (D)	R	A	R	A	A	R	R	R	R	R	7	0	R	R	R	R	A	R	R	R	62	6	91
MICHIGAN																							
Levin (D)	R	R	R	R	R	R	R	R	R	R	10	0	R	R	R	R	R	R	R	R	73	2	97
Riegle (D)	R	R	R	R	R	R	R	R	R	R	10	0	R	R	R	R	R	R	R	R	103	6	94
MINNESOTA																							
Boschwitz (R)	W	W	W	R	W	W	W	W	W	W	1	9	W	W	W	W	W	W	R	W	9	66	12
Durenberger (R)	R	A	W	R	R	R	A	A	R	W	5	2	W	A	W	W	W	W	R	R	30	39	43
MISSISSIPPI																							
Stennis (D)	R	W	W	W	W	R	R	W	W	W	3	7	W	W	A	R	W	R	W	A	67	209	24
Cochran (R)	W	W	W	W	W	W	W	W	R	W	1	9	W	W	W	W	W	W	W	A	10	62	14
MISSOURI																							
Eagleton (D)	R	R	W	R	R	R	R	R	R	R	9	1	R	R	R	R	R	R	R	R	171	25	87
Danforth (R)	W	W	R	W	W	W	W	W	W	W	1	9	W	W	W	W	W	W	R	R	33	79	29
MONTANA																							
Baucus (D)	R	W	W	R	R	R	R	W	R	R	7	3	R	R	R	R	R	R	W	R	57	15	79
Melcher (D)	R	W	W	R	R	R	A	A	R	W	5	3	R	A	R	R	R	R	R	R	85	23	79
NEBRASKA																							
Exon (D)	W	W	W	W	W	R	R	R	W	W	3	7	R	R	W	R	R	R	A	R	28	42	40
Zorinsky (D)	W	W	W	W	W	R	R	R	W	W	3	7	R	W	W	W	R	W	W	R	35	79	31
NEVADA																							
Cannon (D)	R	A	A	W	R	R	R	R	R	W	6	2	R	R	R	R	R	R	R	R	158	85	65
Laxalt (R)	W	W	W	W	W	W	W	W	W	W	0	10	W	W	W	W	W	W	W	W	15	126	11
NEW HAMPSHIRE																							
Rudman (R)	W	R	W	R	W	W	W	W	W	W	2	8	W	W	W	W	W	W	R	R	8	29	22
Humphrey (R)	W	W	W	W	W	W	W	W	A	W	0	9	W	W	W	W	W	W	W	W	4	69	5
NEW JERSEY																							
Bradley (D)	R	R	R	R	R	R	R	R	W	R	9	1	R	R	R	R	R	R	R	R	67	5	93
Brady (R)	W	R	W	R	W	W	W	W	W	W	2	8	W	W	W	W	W	W	R	W	3	15	17
NEW MEXICO																							
Domenici (R)	W	W	W	R	W	W	W	W	W	W	1	9	W	W	W	W	W	W	R	R	40	128	24
Schmitt (R)	A	A	A	W	W	A	A	A	W	W	0	4	W	A	W	W	W	W	R	A	16	83	16
NEW YORK																							
Moynihan (D)	R	R	R	R	R	R	R	R	R	R	10	0	R	R	R	R	R	R	R	R	104	6	95
D'Amato (R)	W	R	W	R	W	W	W	W	R	W	3	7	W	W	W	W	W	W	R	R	9	27	25
NORTH CAROLINA																							
East (R)	W	W	W	W	W	W	W	W	W	W	0	10	W	W	W	W	W	W	W	W	2	35	5
Helms (R)	W	W	W	W	W	W	W	W	W	W	0	10	W	R	W	W	W	W	W	W	16	158	9
NORTH DAKOTA																							
Burdick (D)	R	W	W	R	R	R	R	R	R	W	7	3	R	R	R	R	R	R	A	R	211	41	84
Andrews (R)	W	W	W	R	R	R	W	R	R	W	5	5	W	W	W	W	W	W	R	R	13	22	37
OHIO																							
Glenn (D)	R	R	R	R	R	R	R	W	W	R	8	2	R	R	R	R	R	R	R	R	116	34	77
Metzenbaum (D)	R	R	R	R	R	R	R	R	R	R	10	0	R	R	R	R	A	R	R	R	110	9	92
OKLAHOMA																							
Boren (D)	W	W	W	W	R	R	R	W	W	W	3	7	R	R	W	W	R	R	R	R	27	48	36
Nickles (R)	W	W	W	W	W	W	W	W	W	W	0	10	W	W	W	W	W	W	W	W	1	36	3
OREGON																							
Hatfield (R)	A	W	A	R	W	A	W	A	A	W	1	4	W	A	W	W	W	R	R	R	105	96	52
Packwood (R)	R	W	W	W	R	W	W	R	R	W	4	6	W	W	W	W	R	W	R	R	87	111	44
PENNSYLVANIA																							
Heinz (R)	R	R	R	R	R	R	R	W	R	R	9	1	W	W	W	R	R	W	R	R	73	36	67
Specter (R)	R	R	R	R	R	R	W	W	R	W	7	3	W	W	W	W	W	W	R	A	19	17	53
RHODE ISLAND																							
Pell (D)	R	R	R	R	R	R	R	R	W	R	9	1	R	R	R	R	R	R	R	R	226	19	92
Chafee (R)	R	R	R	R	R	W	W	W	W	R	6	4	W	W	W	W	W	W	R	R	59	51	54
SOUTH CAROLINA																							
Hollings (D)	R	W	W	A	R	R	R	R	W	W	5	4	W	R	R	R	R	R	R	A	106	105	50
Thurmond (R)	W	W	W	W	W	W	W	W	W	W	0	10	W	W	W	W	W	W	W	W	30	252	11
SOUTH DAKOTA																							
Abdnor (R)	W	W	W	W	W	W	W	W	W	W	0	10	W	W	W	W	W	W	W	R	2	35	5
Pressler (R)	W	A	W	W	W	R	A	A	R	W	2	5	R	A	W	W	A	W	A	R	22	38	37
TENNESSEE																							
Sasser (D)	R	R	R	R	R	R	R	R	R	W	9	1	A	R	R	R	R	R	R	R	78	29	73
Baker (R)	W	R	W	R	W	W	W	W	W	W	2	8	W	W	W	W	W	W	R	W	47	149	24
TEXAS																							
Bentsen (D)	W	A	W	W	W	R	R	R	R	W	4	5	R	R	R	R	R	R	W	A	90	99	48
Tower (R)	W	W	W	W	W	W	W	W	W	W	0	10	W	W	W	W	W	W	W	A	20	213	9
UTAH																							
Garn (R)	W	W	W	W	W	W	W	W	W	W	0	10	W	W	W	W	W	W	W	W	15	137	10
Hatch (R)	W	W	A	W	W	W	W	W	W	W	0	9	W	W	W	W	W	W	W	W	9	100	8
VERMONT																							
Leahy (D)	R	R	W	R	R	R	R	W	W	R	7	3	R	R	R	R	R	R	R	R	224	29	89
Stafford (R)	W	R	W	R	R	W	A	W	R	W	4	5	W	A	W	W	A	W	R	R	113	68	62
VIRGINIA																							
Byrd H. (I)	W	W	W	A	W	W	W	A	W	W	0	8	R	R	W	W	W	W	W	W	30	197	13
Warner (R)	W	W	W	W	R	W	W	W	W	W	1	7	W	W	W	W	W	W	W	W	8	67	11
WASHINGTON																							
Jackson (D)	R	W	R	R	R	R	R	R	R	R	9	1	R	R	R	R	R	R	R	R	268	17	94
Gorton (R)	W	R	W	W	W	W	W	W	W	R	2	8	W	W	W	W	W	W	R	R	5	31	14
WEST VIRGINIA																							
Byrd R. (D)	R	R	W	R	R	R	R	R	R	W	8	2	R	R	R	R	R	R	R	R	187	91	67
Randolph (D)	R	R	W	R	R	R	R	R	W	R	8	2	R	R	R	R	R	R	W	R	203	59	77
WISCONSIN																							
Kasten (R)	W	W	W	W	W	W	W	W	W	W	0	10	A	W	W	W	R	W	R	W	5	31	14
Proxmire (D)	R	R	R	W	R	R	W	W	W	W	5	5	R	R	W	W	R	R	R	R	197	81	71
WYOMING																							
Simpson (R)	W	W	W	W	W	W	W	W	W	W	0	10	W	W	W	W	A	W	R	W	2	71	3
Wallop (R)	W	W	A	W	W	W	W	W	W	W	0	9	W	W	W	W	W	W	W	W	10	101	9

Key to Symbols

R Voted Right or was paired Right.

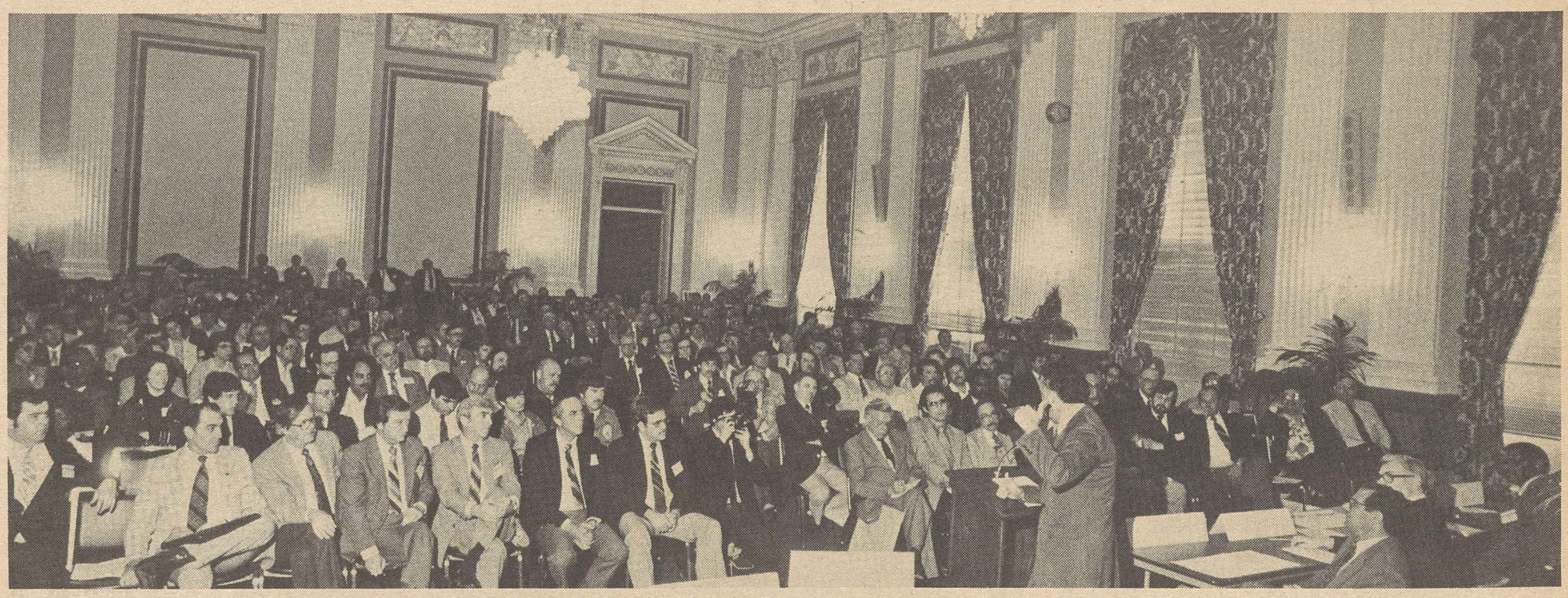
W Voted Wrong or was paired Wrong.

A Absent and not paired or voted "present."

* Not in Congress at time.

Votes by senators while members of the House are not included in this record.

Labor's Stand on Major Issues in the Senate



Industrial Union Dept. delegation briefed on critical issues by Sen. Paul Sarbanes (D-Md.).

1. Providing Emergency Funds for Unemployment Compensation

In times of recession, Congress traditionally has acknowledged its responsibility to those who have lost their jobs through no fault of their own by approving additional weeks of unemployment compensation. In the spring of 1982, as the Reagan Recession worsened and unemployment jumped toward levels unseen since the Great Depression, the Democratic leadership in the Senate began working to pass such extended unemployment benefits. A key vote came during consideration of the First Budget Resolution for fiscal 1983, as Sen. Robert Byrd (D-W.Va.) offered an amendment to increase unemployment funding in order to provide for 13 additional weeks of benefits in states suffering from very high unemployment levels. Sen. Robert Dole (R-Kan.), took the lead and—with the help of 45 other Republicans and six Democrats—killed the Byrd amendment 52-42 on May 21. (Extended unemployment compensation later was passed by Congress as part of a tax bill.)

For tabling—Wrong Against tabling—Right

2. Restoring Mine Safety and Health Protections

In 1981, conservatives in Congress stripped the Mine Safety & Health Administration (MSHA) of its authority to enforce worker health and safety rules at stone, sand and gravel surface-mining sites. In taking this action, Congress ignored AFL-CIO protests that 134 workers died in those industries in 1978-80. Fortunately, in 1982 Congress reversed itself and restored MSHA protections to the 40,000 affected workers. But this effort suffered a setback when Sen. Dale Bumpers (D-Ark.) offered an amendment to delete language in an appropriations bill restoring MSHA protection to these miners. The Bumpers amendment was passed 52-38 on May 27, making it necessary for the Senate to return to the issue later.

For—Wrong Against—Right

3. Preventing Illegal Immigration and Protecting Wage Standards

In 1982 Congress attempted to pass a much-needed overhaul of U.S. immigration laws. The AFL-CIO pushed for compassionate legislation to stem the flow of illegal immigration and end the undermining of U.S. wage and labor standards by the exploitation of illegal workers. During Senate debate on the reform bill, Sen. Edward Kennedy (D-Mass.) offered an amendment to prevent expansion of the "H-2" program by which foreign workers, particularly migrant farm workers, are allowed to work in the United States on a temporary basis. At a time when more than 10 million Americans are jobless, the need for a program to encourage the importation of foreign workers can only benefit greedy employers. Recognizing that an expanded "H-2" program was simply a new name for the discredited "bracero" and "guestworker" programs of the past, Kennedy tried to stop its expansion. Unfortunately, the Kennedy amendment was defeated 28-62 on Aug. 13.

For—Right Against—Wrong

4. Targeting Defense Contracts to Ease Pain of Unemployment

In 1982 the conservative-dominated Congress took remarkably little action to ease the hardship of the Reagan recession on more than 10 million unemployed

Sen. Christopher Dodd (D-Conn.) welcomes Transit Workers legislative team.

Americans. But one small show of concern came during consideration of the Defense Dept. authorization bill, when the Senate approved an amendment by Sen. Daniel P. Moynihan (D-N.Y.) directing the Secretary of Defense to continue a test program in which certain contracts for goods and services are directed toward areas of the country with especially high unemployment. Thus, jobs are provided to workers who have little likelihood of finding work in their communities. The Moynihan amendment passed 48-45 on May 13.

For—Right Against—Wrong

5. Saving the Eight-Hour Day Standard

Not even America's oldest labor standard—the eight-hour day—is sacred to the Reagan Administration. During consideration of legislation to allow flexible work scheduling on federal contracts, Sen. William Armstrong (R-Colo.)—with the support of the Administration—offered an amendment to allow 10-hour days without payment of overtime. The proposal would have given an edge in contract bidding to non-union employers who could escape the overtime pay the unionized workers enjoy. The Senate wisely chose not to use federal dollars to gouge wages, and approved a motion by Sen. Ted Stevens (R-Alaska) to kill the Armstrong amendment by a 49-46 vote on June 30.

For tabling—Right Against tabling—Wrong

6. Saving Railroad Retiree Pensions

In 1981 President Reagan vetoed a railroad retirement funding bill, causing abrupt cuts in monthly retirement checks for 400,000 railroad pensioners. In 1982 Senate conservatives sought to make additional cuts in railroad pensions. Because railroad retirees paid into both social security and the railroad pension system, they are entitled to benefits under both retirement systems, as promised in the 1974 rail retirement law. The railroad pension system is funded not by general federal revenues but by contributions from employers and employees, so Congress has no business slashing benefits in order to reduce the federal budget deficit.

The key vote came when Sen. Jim Sasser (D-Tenn.) offered an amendment to the First Budget Resolution to provide 7.4 percent cost-of-living adjustments in order to keep these retirees apace with inflation. Sen. Pete Domenici (R-N.M.) offered a substitute amendment providing for only a 4 percent COLA in 1983, which would cause retirees to lose their real purchasing power. Fortunately, the Senate approved a Sasser motion to kill the Domenici substitute, 53-44, on May 21.

For tabling—Right Against tabling—Wrong

7. Protecting Federal Workers' Pensions

Retired federal workers are just as vulnerable to the effects of inflation on their pensions as those who receive social security or railroad retirement, but Congress seems more willing to inflict hardship on federal retirees by "capping" the inflation adjustments in their pensions at levels far below the inflation rate. During consideration of the First Budget Resolution for fiscal 1983, Sen. Donald Riegle (D-Mich.) offered an amendment to provide funding for a modest 6.6 percent inflation adjustment for federal pensions in 1983, and 4 percent in 1984 and 1985. Even at these levels, retirees would gradually lose some of their purchasing power to inflation, but Senate conservatives wanted no cost-of-living increases for retirees, so in a 47-43 vote they approved a motion by Sen. Howard Baker (R-Tenn.) to kill the Riegle amendment. (Later, the resolution agreed upon in House-Senate conference contained a 4-percent inflation adjustment.)

For tabling—Wrong Against tabling—Right

8. Saving Union Publications from Accelerated Postage Rate Hikes

In 1970 Congress decided to end the subsidy of postage rates for publications of non-profit groups, including labor unions and charities. The subsidy was to have been phased out over 16 years, resulting in gradually increasing postal rates for these groups.

In 1981 the Reagan Administration upset that schedule, cutting the postage subsidy far more than the non-profit groups had been prepared to adjust to under the original schedule. Scores of church journals, education magazines and union publications were forced to fold. In 1982, during consideration of the First Budget Resolution, Sen. Daniel P. Moynihan (D-N.Y.) offered an amendment to restore the non-profit postage rates to the original schedule of increases. The Senate rejected the Moynihan amendment 34-57 on May 21.

For—Right Against—Wrong

9. Assisting Airline Employees Made Jobless by Mergers

In 1982 the House and Senate passed legislation requiring termination benefits from the companies for employees who lose their jobs due to the merger or sale of airlines. As the airline industry gradually is being deregulated, Congress recognized the need to provide a measure of protection for airline employees until they are able, through their unions, to negotiate such benefits in collective bargaining. The House-Senate conference committee, charged with ironing out the differences between the House and Senate bills, reported a favorable compromise; but the Senate, in a 59-38 vote on Aug. 12, sent the bill back to conference to have protective provisions removed.

For—Wrong Against—Right

10. Keeping Reaganomics Out of the Constitution: Stopping the Balanced Budget Amendment

A balanced federal budget—in which federal tax revenues are at least as great as federal spending—is a

Continued on next page

Labor's Stand on Major Issues in the Senate

Continued from previous page
goal that can be achieved over time through an appropriate combination of tax policies, spending policies, Federal Reserve Board monetary policy, and healthy economic growth. There is nothing wrong with a balanced budget, but there is a lot wrong with a constitutional amendment that would force Congress to pass balanced budgets every year.

The AFL-CIO objected to the proposed balanced budget amendment on three basic principles: (1) The U.S. Constitution, the most basic law of the land, was designed as a framework for lasting government, not a dumping ground for transient economic doctrines. (2) Such a constitutional straitjacket would prevent Congress from using its taxing and spending authority to end depression, natural disaster or other emergency. (3) The three-fifths majority required by the amendment to pass a deficit budget undermines majority rule, handing the congressional power of the purse to a two-fifths minority.

As a practical matter, passage of the balanced budget amendment would force enormous cuts in all programs that help working Americans—including social security. Medicare, unemployment compensation, job safety and health enforcement, education programs, highways and public transportation facilities, and every other program would face cuts much more severe than those already approved.

But the Senate, hoping to distract voters from the Reagan budget it had approved with its record-high budget deficit, played politics and approved the balanced budget constitutional amendment by a 69-31 vote on Aug. 4.

For—Wrong Against—Right

Unions march to Capitol Hill to rally congressional opposition against Administration attacks on government printers.

11. Preventing GOP-Threatened Cuts in Social Security

Ignoring the wishes of the American people, who in many public opinion polls have stated emphatically that they want social security benefits left intact, the Republican-controlled Senate Budget Committee called for a $40 billion reduction in the 1983 deficit through changes in social security. In order to nip these social security cuts in the bud, Sen. Daniel P. Moynihan (D-N.Y.) offered an amendment to a military authorization bill rejecting the proposed $40 billion social security "deficit reduction." But Sen. Howard Baker (R-Tenn.), playing politics with America's retirees, moved to kill the Moynihan amendment. The Senate agreed to the Baker tabling motion by a 51-44 vote on May 11.

For tabling—Wrong Against tabling—Right

12. False Budget Economy Hurts Working People

In 1981 Congress adopted the Reagan economic program with no questions asked. By spring 1982 it was obvious that the Reagan package of tax cuts for the rich and program cuts for everyone else was not spurring economic recovery but rather was causing the worst recession since the 1930s. Nevertheless, Senate Republicans, in passing a new budget resolution for fiscal 1983, closed their eyes to the damage they had done, and instead of taking strong action to end the recession and bring down the unemployment rate, approved yet another round of the policies that brought the disaster.

The new GOP First Budget Resolution included more cuts in federal programs, including programs that train uneducated workers for new jobs and put them to work on such projects as highway and bridge repair; compensate workers who lose their jobs because of government policies; provide health care for the elderly and poor (Medicare and Medicaid); educate children, including the handicapped and underprivileged, and help working families put their children through college; help injured war veterans adjust to a new, tougher life; clean up the nation's air and water; prevent hunger in infants and children; and provide other vital services. Once again, the Republican budget slashed most programs, from railroad retirement to housing, from unemployment compensation to job safety and health. The GOP First Budget Resolution was passed 49-43 on May 21.

For—Wrong Against—Right

13. Defending Medicare and Medicaid from More Cuts

During consideration of the First Budget Resolution (see Vote 12), Sen. Daniel P. Moynihan (D-N.Y.) offered an amendment to protect the health care programs for the nation's elderly and poor—Medicare and Medicaid. The resolution under consideration included a $5.8 billion cut in these programs—a cut that would mean higher out-of-pocket costs for the elderly, who already pay a hefty 43 percent of the costs of their health care. Noting that last year's Reagan budget cuts in these programs already were forcing many of the elderly to choose between eating and going to the doctor, the backers of the Moynihan amendment urged that $1.8 billion be added to the bill to lessen the cuts. But this modest proposal failed, as the Senate rejected the Moynihan amendment 39-60 on May 19.

For—Right Against—Wrong

14. Investing in America's Future: Better Education Programs

A cornerstone of the American goal of "equal opportunity for all" has always been a quality education for all young Americans. Recognizing that not all school districts are financially able to fulfill this goal, Congress has created special education programs for the handicapped, the underprivileged, and those who are qualified to go to college but who cannot afford today's high tuition costs.

The Reagan First Budget Resolution for fiscal 1983 made more drastic cuts in these programs—compromising America's future in order to achieve short-term budget savings. Sen. Bill Bradley (D-N.J.) offered an amendment to restore funding to maintain education programs at current levels. But Senate conservatives rejected the Bradley amendment 44-54 on May 19.

One example of what this means: America's colleges and universities are becoming more exclusively institutions for the rich. Because the Senate rejected the Bradley amendment, approximately 500,000 students will lose modest sums, averaging $900 per student, which help academically qualified but financially strapped young Americans go to college.

For—Right Against—Wrong

15. Averting America's Worsening Housing Crisis

The housing industry, a linchpin of the American economy, is in deep trouble. In 1981, fewer new homes were built than in any year since 1946—less than half the number needed to provide for new households and to replace old housing. Nearly a million construction workers are now unemployed.

In 1982 Congress tried to reverse the housing disaster, but President Reagan stopped all action, with vetoes and threatened vetoes of any legislation that included needed housing funds. During consideration of a supplemental appropriations bill, Sen. Donald Riegle (D-Mich.) offered an amendment to provide $3 billion for subsidies of home mortgage interest rates. The Riegle amendment was a bipartisan effort, cosponsored by Sen. Richard Lugar (R-Ind.). It would have resulted in lower interest rates for 210,000 homes and would have restored more than 480,000 jobs.

But Sen. Mark Hatfield (R-Ore.), in order to comply with the demands of Reagan Budget Director David Stockman, moved to table the Riegle amendment. The Senate did so in a close 48-44 vote on June 29.

For tabling—Wrong Against tabling—Right

16. Raising Workers' Taxes to Pay for '81 Tax Cuts to Wealthy and Corporations

The Reagan/GOP First Budget Resolution called for $21 billion in tax increases in fiscal 1983. The Republican-controlled Senate Finance Committee recommended a package of tax hikes that included substantially higher taxes on working Americans, including higher federal taxes on telephone use, airline tickets and tobacco products, and tighter restrictions on tax deductions for medical expenses and casualty losses, such as burglary of one's home. The committee bill also included major cuts in Medicare.

Sen. Bill Bradley (D-N.J.) argued that it was unfair to raise taxes on working Americans, because it was the 1981 Reagan tax cuts for wealthy individuals and corporations that caused the budget deficit. Bradley offered an amendment that would have eliminated or eased the unfair tax hikes mentioned above by restricting the 1983 tax cuts to those who earn less than $46,500 per year, postponing the 1983 tax cut for the wealthy. But Senate conservatives chose to put a portion of the higher tax burdens on working people, rejecting the Bradley amendment 45-54 on July 21.

For—Right Against—Wrong

17. Guaranteeing All Americans the Right to Vote

Major provisions of the Voting Rights Act of 1965 required its renewal in 1982. One of the most successful civil rights laws in U.S. history, this law prevents poll taxes, "literacy tests" and other tactics that prevent minority citizens or the poor from voting. Congress eventually voted to renew and strengthen the act, but not without a struggle from a handful of arch-conservatives. Sen. John East (R-N.C.) tried several times to weaken the law and make enforcement difficult. Under one East amendment, if federal law enforcers cited a state or other jurisdiction for violation of the Voting Rights Act, that jurisdiction could file suit against the government in local courts, rather than in the District of Columbia, thus bringing a hodge-podge of court decisions and weakening enforcement. Wisely rejecting this and other East amendments, the Senate voted to retain uniform enforcement of the law by the D.C. Circuit Court, by a 31-65 vote on June 17.

For—Wrong Against—Right

18. Putting a Stop to the Damage of Reaganomics

For a year and a half Congress bent over backward to comply with each and every whim of the Reagan Administration regarding economic matters. But on Sept. 10 the Senate joined the House in handing the Administration a major defeat—overriding Reagan's veto of an appropriations bill by a 60-30 vote.

The Reagan veto would have killed funds for staff to make payments to jobless workers under a recently enacted extension of unemployment benefits. Also slated for termination by Reagan were funds for college student loans, jobs for the elderly and education for the handicapped. Reagan had called the bill a "budget buster;" actually, it came in at nearly $2 billion less than the presidential request. Senators understood that Reagan vetoed the measure only to pacify extreme right-wing pressure groups. Congress, finally concerned about the harm Reaganomics is causing and resentful that the President was playing politics with some of the most unfortunate Americans, said "No" to Reagan by a two-thirds vote.

For—Right Against—Wrong

Democrats look to gain in state houses

Continued from Page 1

The Monitor poll also surveyed Democratic professionals who saw the party ahead in 27 of the 36 gubernatorial races slated this year, with the GOP ahead in seven and two contests even. The Republicans put the Democrats ahead in 25 races, themselves out front in seven others, with four contests in a dead heat.

Of the 36 governors' races, incumbents are running for re-election in 24 states—14 of them Democrats, 10 Republican. State AFL-CIO organizations have made endorsements in all but two states, Georgia and South Carolina, and are backing the Democratic candidates in all of them.

Republican chances appear best in the Far West, where President Reagan's appeal generally runs strongest. Even so, Democrats are leading in Alaska and Nevada and have strong prospects in both Oregon and California.

The GOP would dearly love to break through in the Rocky Mountain region, where Democrats hold the governors' offices in six states on a line from Idaho and Montana southward through Wyoming, Colorado, and Utah to the desert states of Arizona and New Mexico.

GOP outlook

Governors' races are scheduled in four of these six states this year, but the Republicans are given a solid chance only in Idaho, where the Democratic incumbent, John Evans, and his opponent, Lt. Gov. Philip Batt, agree that the race right now is too close to call.

Elsewhere, three former Democratic governors—Rudy Perpich of Minnesota, Michael Dukakis of Massachusetts, and William Clinton of Arkansas—are on the comeback trail and look like winners.

In the Deep South, where Democrats currently have a lock on six of the nine state houses, the Republicans are pouring in money in an effort to capture the Alabama governorship for Montgomery Mayor Emory Folmar. But his Democratic opponent, three-time former Gov. George C. Wallace, who is making the state's 14.2-percent unemployment rate the main issue, is rated a slight favorite.

The state-by-state outlook:

Alabama—Republicans have not elected a governor in Alabama since the Reconstruction and, if for no other reason, Wallace has to be given an edge. His rival, Folmar, is a former Democrat who was state chairman for the Reagan-Bush ticket in 1980. Analysts see the race as a test of support for Reaganomics in the Cotton South.

Alaska—Democrat Bill Sheffield, a hotel owner from Anchorage, is favored over former state House Speaker Thomas Fink, a Republican also from Anchorage. Fink backs two controversial proposals—to move the capital from Juneau to Willow and to repeal the priority fishing and hunting rights of Eskimos and Indians. Also vying for the conservative vote is Libertarian Party candidate Richard Randolph, who is expected to weaken Fink's chances. Current Republican Gov. Jay S. Hammond is constitutionally barred from seeking a third term.

Arizona—Democratic Gov. Bruce Babbitt, 44, is expected to win a second term over State Senate President Leo Corbet, 45. A Republican from Phoenix, Corbet has never run in a statewide contest, yet is running a vigorous campaign. Keeping the state as pristine and open as possible is an issue of deep concern to voters.

Arkansas — The Democrats have a strong contender in former Gov. Bill Clinton, 35, who is seeking to oust the man who unseated him in 1980, incumbent Frank D. White, 48. White espoused President Reagan's supply-side economic program and may be in re-election trouble for that reason. Unemployment in the state has soared to about 11 percent.

California—Three recent polls showed Los Angeles Mayor Tom Bradley ahead of his Republican opponent, Atty. Gen. George Deukmejian. If Bradley, 64, pulls it off, he will become the nation's first elected black governor. Incumbent Democratic Gov. Edmund G. Brown, Jr., is running for the Senate.

Colorado—Republicans and Democrats alike agree that Democratic incumbent Richard D. Lamm likely will win big in his bid for a third term. He is opposed by former State House Speaker John D. Fuhr, a Republican.

Connecticut—The favorite here is Democratic Gov. William A. O'Neill, who assumed the governorship on the last day of 1980 when the late Ella T. Grasso resigned because of her illness with cancer. O'Neill's Republican challenger is former State Sen. Lewis B. Rome.

Florida—Robert Graham, a Democrat, ought to win re-election over Rep. L. A. (Skip) Bafalis, who is not well known outside his south-central 10th District.

Georgia—State Rep. Joe Frank Harris is favored to beat Republican State Sen. Robert H. Bell. Democratic Gov. George Busbee was ineligible for a third term.

Hawaii—In a three-way contest, Democratic incumbent George R. Ariyoshi is a slight favorite to win a third term. His chief rival, former Honolulu Mayor Frank Fasi, opposed Ariyoshi both in 1974 and 1978. Fasi is running as an independent. The GOP candidate is former State Sen. D. G. (Andy) Anderson of Kaneohe.

Idaho—A close race is shaping up between incumbent John Evans and his longtime opponent, Republican Lt. Gov. Philip Batt. Evans's lead in the polls has slipped in recent months, and all signs point to a photo finish.

Illinois—A few months ago, Republican Gov. James Thompson was the widely acknowledged underdog in his bid for an unprecedented third successive term. Recently, he has picked up ground against his Democratic challenger, Adlai E. Stevenson III. Analysts note money is a big factor in the campaign, with Thompson outspending Stevenson two to one.

Iowa—Popular Gov. Robert Ray, a Republican, is not seeking re-election, but another Republican, Lt. Gov. Terry Branstad, is given the edge as of now over Democrat Roxanne Conlin, former U.S. attorney for Iowa's southern district. The economy, including the state's growing deficit, is the chief issue.

Kansas—Analysts view this one as a tossup between incumbent Democrat John Carlin, who is seeking a second term, and Republican Samuel Hardage.

Maine — Democratic Gov. Joseph E. Brennan is a strong favorite to win re-election over Republican Charles Cragin, a Portland lawyer.

Maryland—Elected to a first term in 1978 with 71 percent of the vote, incumbent Democrat Harry R. Hughes is well ahead of his Republican opponent, Anne Arundel County Executive Robert A. Pascal, and ought to finish first.

Massachusetts—Former Gov. Michael S. Dukakis, who lost out to conservative Gov. Edward King in the 1978 Democratic primary, turned the tables this year and is ahead in his campaign against GOP candidate John W. Sears.

Michigan—With Republican Gov. William G. Milliken retiring, Democratic Congressman James J. Blanchard is favored to knock out the Republican contender, insurance executive Richard Headlee. A supporter of the state's depressed auto industry, Blanchard is running a strong campaign.

Minnesota—Another ex-governor, Rudy Perpich, is given the edge over Republican candidate Wheelock Whitney, a Minneapolis business executive. Perpich ran ahead of the Democratic ticket in seeking a full term as governor in 1978, but got caught in the Republican tidal wave that swept the state. Current Gov. Albert H. Quie is retiring.

Nebraska—Political novice Robert Kerrey, who lost a leg in Vietnam and received the Congressional Medal of Honor, is running a strong campaign against incumbent Republican Gov. Charles Thone, but Thone is the favorite right now.

Nevada—Democratic Atty. Gen. Richard Bryan is given a solid chance to block Gov. Robert List's bid for a second term.

New Hampshire—The question of taxes figures as the main issue in the race between incumbent Democratic Gov. Hugh Gallen and his Republican opponent, former State Rep. John Sununu. New Hampshire has no sales or income tax, and while Sununu has pledged himself to preserve that state of affairs, Gallen has not. Gallen is still rated to win, despite a strong negative campaign against him by the state's largest newspaper, The Manchester Union Leader.

New Mexico—With Democratic Gov. Bruce King ineligible to seek re-election, former Democratic Atty. Gen. Toney Anaya is favored to push aside former GOP State Sen. John Irick, a conservative cut from the Reagan mold. New Mexico gubernatorial races tend to run close, with margins of 3,000 votes or less, however, and this one might run to form, also.

New York—Lt. Gov. Mario Cuomo, who had strong labor support in defeating New York City Mayor Edward Koch in the recent Democratic primary, figures to beat Republican drugstore executive Lewis Lehrman. Lehrman has money behind him, but has never run for office. Gov. Hugh Carey did not seek a third term.

Ohio—Democratic candidate Richard Celeste is well known across the state after a term as lieutenant governor and has strong labor backing. He is favored to defeat Republican Congressman Clarence Brown. Current Gov. James A. Rhodes is ineligible for a third consecutive term.

Oklahoma—Gov. George Nigh, seeking a second term, is favored to win over Republican Thomas Daxon, even though no other Oklahoma governor has been elected to two consecutive terms. Daxon's campaign has plenty of money behind it.

Oregon — Republican Gov. Victor Atiyeh is getting a strong run from Democratic State Sen. Ted Kulongoski, who ties Oregon's depressed economy to the failure of Reaganomics. Right now, the race is considered too close to call.

Pennsylvania—Republican Gov. Richard L. Thornburgh is heavily favored to gain a second term in his contest with Rep. Allen Ertel. Thornburgh's handling of the 1979 nuclear crisis at Three Mile Island and his downhold on taxes have enhanced his standing with the voters.

Rhode Island—Gov. J. Joseph Garrahy seems headed for a fourth term in this strongly Democratic state. His opponent is Republican Vincent Marzullo.

South Carolina—No South Carolina governor has ever served two four-year terms in a row, but Democratic incumbent Richard Riley seems almost certain to make it in his race against Republican William Workman.

South Dakota—Republican incumbent William Janklow is favored to win re-election over Democratic State Sen. Michael O'Connor.

Tennessee—Republican incumbent Lamar Alexander should win a second term over Democratic Mayor Randy Tyree of Knoxville.

Texas—The advantages of incumbency, plus buckets of money from the Republicans, are helping Gov. William Clements in his race for a second term, but his Democratic opponent, Atty. Gen. Mark White, is running a determined campaign to overtake the abrasive governor.

Vermont — Republican Gov. Richard Snelling is seeking a fourth term over Democratic Lt. Gov. Madeleine Kunin. Snelling's personal popularity is high, and he is rated the favorite.

Wisconsin—Republican Gov. Lee Sherman Dreyfus opted out of a re-election bid, leaving the field to Democrat Anthony Earl, former secretary of the state department of natural resources, and Republican businessman Terry Kohler. Despite Kohler's big bucks, Earl is favored.

Wyoming — Democratic Gov. Ed Herschler is well liked in this conservative state and figures to defeat his challenger, Republican oilman Warren Morton.

Senate vote on Helms move to restrict use of union dues

Sen. Jesse Helms (R-N.C.) tried to tie an anti-labor amendment to an appropriations bill but was beaten on a 62-37 vote. The Helms amendment would have directed the Federal Election Commission to make sure that dues collected under a union shop contract aren't used for "political or ideological" purposes.

The 62 senators who voted to table and thus kill the Helms amendment on Sept. 29 were in accord with the AFL-CIO's position.

FOR LABOR'S POSITION

Democrats 44

Baucus (Mont.)	DeConcini (Ariz.)	Inouye (Hawaii)	Nunn (Ga.)
Bentsen (Tex.)	Dixon (Ill.)	Jackson (Wash.)	Pell (R.I.)
Biden (Del.)	Dodd (Conn.)	Johnston (La.)	Proxmire (Wis.)
Boren (Okla.)	Eagleton (Mo.)	Leahy (Vt.)	Pryor (Ark.)
Bradley (N.J.)	Exon (Neb.)	Levin (Mich.)	Randolph (W.Va.)
Bumpers (Ark.)	Ford (Ky.)	Long (La.)	Riegle (Mich.)
Burdick (N.D.)	Glenn (Ohio)	Matsunaga (Hawaii)	Sarbanes (Md.)
Byrd (W.Va.)	Hart (Colo.)	Melcher (Mont.)	Sasser (Tenn.)
Cannon (Nev.)	Heflin (Ala.)	Metzenbaum (Ohio)	Stennis (Miss.)
Chiles (Fla.)	Hollings (S.C.)	Mitchell (Me.)	Tsongas (Mass.)
Cranston (Calif.)	Huddleston (Ky.)	Moynihan (N.Y.)	Zorinsky (Neb.)

Republicans 18

Brady (N.J.)	Gorton (Wash.)	Murkowski (Alaska)	Specter (Pa.)
Chafee (R.I.)	Hatfield (Ore.)	Packwood (Ore.)	Stafford (Vt.)
D'Amato (N.Y.)	Heinz (Pa.)	Percy (Ill.)	Stevens (Alaska)
Danforth (Mo.)	Kassebaum (Kan.)	Roth (Del.)	Weicker (Conn.)
Durenberger (Minn.)	Mathias (Md.)		

AGAINST LABOR'S POSITION

Democrats 1

Byrd (Va.)

Republicans 36

Abdnor (S.D.)	Domenici (N.M.)	Humphrey (N.H.)	Quayle (Ind.)
Andrews (N.D.)	East (N.C.)	Jepsen (Iowa)	Rudman (N.H.)
Armstrong (Colo.)	Garn (Utah)	Kasten (Wis.)	Schmitt (N.M.)
Baker (Tenn.)	Goldwater (Ariz.)	Laxalt (Nev.)	Simpson (Wyo.)
Boschwitz (Minn.)	Grassley (Iowa)	Lugar (Ind.)	Symms (Ida.)
Cochran (Miss.)	Hatch (Utah)	Mattingly (Ga.)	Thurmond (S.C.)
Cohen (Me.)	Hawkins (Fla.)	McClure (Ida.)	Tower (Tex.)
Denton (Ala.)	Hayakawa (Calif.)	Nickles (Okla.)	Wallop (Wyo.)
Dole (Kan.)	Helms (N.C.)	Pressler (S.D.)	Warner (Va.)

Absent: Kennedy (D-Mass.)

House rollcall on budget amendment

A balanced budget constitutional amendment, which the AFL-CIO warned would leave the nation helpless against recessions and unemployment, was rejected by the House on Oct. 1. The 236-187 vote for the proposed amendment was 46 short of the required two-thirds majority.

Right votes (R) against the amendment were cast by 167 Democrats and 20 Republicans. Voting wrong (W) were 69 Democrats and 167 Republicans.

Numerals show congressional districts. A—absent; PR—paired right; PW—paired wrong.

ALABAMA
1. Edwards (R) W
2. Dickinson (R) W
3. Nichols (D) W
4. Bevill (D) W
5. Flippo (D) W
6. Smith (R) W
7. Shelby (D) W

ALASKA
AL Young (R) W

ARIZONA
1. Rhodes (R) R
2. Udall (D) R
3. Stump (D) W
4. Rudd (R) W

ARKANSAS
1. Alexander (D) R
2. Bethune (R) R
3. Hammerschmidt (R) W
4. Anthony (D) W

CALIFORNIA
1. Chappie (R) W
2. Clausen (R) W
3. Matsui (D) R
4. Fazio (D) R
5. Burton, John (D) R
6. Burton, Phillip (D) R
7. Miller (D) R
8. Dellums (D) R
9. Stark (D) R
10. Edwards (D) R
11. Lantos (D) R
12. McCloskey (R) A
13. Mineta (D) R
14. Shumway (R) W
15. Coelho (D) R
16. Panetta (D) R
17. Pashayan (R) W
18. Thomas (R) W
19. Lagomarsino (R) W
20. Goldwater (R) A
21. Fiedler (R) W
22. Moorhead (R) W
23. Beilenson (D) R
24. Waxman (D) R
25. Roybal (D) R
26. Rousselot (R) W
27. Dornan (R) W
28. Dixon (D) R
29. Hawkins (D) R
30. Martinez (D) R
31. Dymally (D) R
32. Anderson (D) W
33. Grisham (R) W
34. Lungren (R) W
35. Dreier (R) W
36. Brown (D) R
37. Lewis (R) W
38. Patterson (D) R
39. Dannemeyer (R) W
40. Badham (R) PW
41. Lowery (R) W
42. Hunter (R) W
43. Burgener (R) W

COLORADO
1. Schroeder (D) R
2. Wirth (D) R
3. Kogovsek (D) R
4. Brown (R) W
5. Kramer (R) W

CONNECTICUT
1. Kennelly (D) R
2. Gejdenson (D) R
3. DeNardis (R) R
4. McKinney (R) R
5. Ratchford (D) R
6. Moffett (D) R

DELAWARE
AL Evans (R) W

FLORIDA
1. Hutto (D) W
2. Fuqua (D) W
3. Bennett (D) W
4. Chappell (D) PW
5. McCollum (R) W
6. Young (R) W
7. Gibbons (D) W
8. Ireland (D) W
9. Nelson (D) W
10. Bafalis (R) W
11. Mica (D) W
12. Shaw (R) W
13. Lehman (D) R
14. Pepper (D) R
15. Fascell (D) R

GEORGIA
1. Ginn (D) W
2. Hatcher (D) W
3. Brinkley (D) W
4. Levitas (D) W
5. Fowler (D) R
6. Gingrich (R) W
7. McDonald (D) W
8. Evans (D) W
9. Jenkins (D) W
10. Barnard (D) W

HAWAII
1. Heftel (D) R
2. Akaka (D) R

IDAHO
1. Craig (R) W
2. Hansen (R) W

ILLINOIS
1. Washington (D) R
2. Savage (D) R
3. Russo (D) R
4. Derwinski (R) W
5. Fary (D) R
6. Hyde (R) W
7. Collins (D) R
8. Rostenkowski (D) R
9. Yates (D) R
10. Porter (R) W
11. Annunzio (D) R
12. Crane, Philip (R) W
13. McClory (R) W
14. Erlenborn (R) W
15. Corcoran (R) W
16. Martin (R) W
17. O'Brien (R) W
18. Michel (R) W
19. Railsback (R) W
20. Findley (R) W
21. Madigan (R) W
22. Crane, Dan (R) W
23. Price (D) R
24. Simon (D) R

INDIANA
1. Vacancy
2. Fithian (D) R
3. Hiler (R) W
4. Coats (R) W
5. Hillis (R) W
6. Evans (D) R
7. Myers (R) W
8. Deckard (R) W
9. Hamilton (D) R
10. Sharp (D) R
11. Jacobs (D) W

IOWA
1. Leach (R) W
2. Tauke (R) W
3. Evans (R) W
4. Smith (D) R
5. Harkin (D) R
6. Bedell (D) R

KANSAS
1. Roberts (R) W
2. Jeffries (R) W
3. Winn (R) W
4. Glickman (D) R
5. Whittaker (R) W

KENTUCKY
1. Hubbard (D) W
2. Natcher (D) W
3. Mazzoli (D) R
4. Snyder (R) W
5. Rogers (R) W
6. Hopkins (R) W
7. Perkins (D) R

LOUISIANA
1. Livingston (R) W
2. Boggs (D) R
3. Tauzin (D) W
4. Roemer (D) W
5. Huckaby (D) W
6. Moore (R) W
7. Breaux (D) W
8. Long (D) R

MAINE
1. Emery (R) W
2. Snowe (R) W

MARYLAND
1. Dyson (D) W
2. Long (D) R
3. Mikulski (D) R
4. Holt (R) W
5. Hoyer (D) R
6. Byron (D) W
7. Mitchell (D) R
8. Barnes (D) R

MASSACHUSETTS
1. Conte (R) R
2. Boland (D) R
3. Early (D) R
4. Frank (D) R
5. Shannon (D) R
6. Mavroules (D) R
7. Markey (D) R
8. O'Neill (D) Speaker
9. Moakley (D) R
10. Heckler (R) R
11. Donnelly (D) R
12. Studds (D) R

MICHIGAN
1. Conyers (D) R
2. Pursell (R) W
3. Wolpe (D) R
4. Siljander (R) W
5. Sawyer (R) W
6. Dunn (R) W
7. Kildee (D) R
8. Traxler (D) R
9. Vander Jagt (R) W
10. Albosta (D) R
11. Davis (R) W
12. Bonior (D) R
13. Crockett (D) R
14. Hertel (D) R
15. Ford (D) R
16. Dingell (D) R
17. Brodhead (D) R
18. Blanchard (D) A
19. Broomfield (R) W

MINNESOTA
1. Erdahl (R) W
2. Hagedorn (R) W
3. Frenzel (R) W
4. Vento (D) R
5. Sabo (D) R
6. Weber (R) W
7. Stangeland (R) W
8. Oberstar (D) R

MISSISSIPPI
1. Whitten (D) W
2. Bowen (D) W
3. Montgomery (D) W
4. Dowdy (D) W
5. Lott (R) W

MISSOURI
1. Clay (D) R
2. Young (D) R
3. Gephardt (D) R
4. Skelton (D) W
5. Bolling (D) R
6. Coleman (R) W
7. Taylor (R) W
8. Bailey (R) W
9. Volkmer (D) W
10. Emerson (R) W

MONTANA
1. Williams (D) R
2. Marlenee (R) W

NEBRASKA
1. Bereuter (R) W
2. Daub (R) W
3. Smith (R) W

NEVADA
AL Santini (D) W

NEW HAMPSHIRE
1. D'Amours (D) R
2. Gregg (R) W

NEW JERSEY
1. Florio (D) R
2. Hughes (D) R
3. Howard (D) R
4. Smith (R) W
5. Fenwick (R) W
6. Forsythe (R) A
7. Roukema (R) R
8. Roe (D) R
9. Hollenbeck (R) R
10. Rodino (D) R
11. Minish (D) R
12. Rinaldo (R) R
13. Courter (R) W
14. Guarini (D) PR
15. Dwyer (D) R

NEW MEXICO
1. Lujan (R) W
2. Skeen (R) W

NEW YORK
1. Carney (R) W
2. Downey (D) R
3. Carman (R) W
4. Lent (R) W
5. McGrath (R) W
6. LeBoutillier (R) W
7. Addabbo (D) R
8. Rosenthal (D) R
9. Ferraro (D) R
10. Biaggi (D) R
11. Scheuer (D) R
12. Chisholm (D) R
13. Solarz (D) R
14. Vacancy
15. Zeferetti (D) R
16. Schumer (D) R
17. Molinari (R) W
18. Green (R) R
19. Rangel (D) R
20. Weiss (D) R
21. Garcia (D) R
22. Bingham (D) R
23. Peyser (D) R
24. Ottinger (D) R
25. Fish (R) W
26. Gilman (R) R
27. McHugh (D) R
28. Stratton (D) R
29. Solomon (R) W
30. Martin (R) W
31. Mitchell (R) W
32. Wortley (R) W
33. Lee (R) W
34. Horton (R) R
35. Conable (R) W
36. LaFalce (D) R
37. Nowak (D) R
38. Kemp (R) R
39. Lundine (D) R

NORTH CAROLINA
1. Jones (D) W
2. Fountain (D) W
3. Whitley (D) W
4. Andrews (D) W
5. Neal (D) W
6. Johnston (R) W
7. Rose (D) W
8. Hefner (D) W
9. Martin (R) W
10. Broyhill (R) W
11. Hendon (R) W

NORTH DAKOTA
AL Dorgan (D) R

OHIO
1. Gradison (R) W
2. Luken (D) R
3. Hall (D) R
4. Oxley (R) W
5. Latta (R) W
6. McEwen (R) W
7. Brown (R) W
8. Kindness (R) W
9. Weber (R) W
10. Miller (R) W
11. Stanton (R) W
12. Shamansky (D) R
13. Pease (D) R
14. Seiberling (D) R
15. Wylie (R) W
16. Regula (R) W
17. Ashbrook (R) W
18. Applegate (D) W
19. Williams (R) W
20. Oakar (D) R
21. Stokes (D) R
22. Eckart (D) W
23. Mottl (D) W

OKLAHOMA
1. Jones (D) R
2. Synar (D) R
3. Watkins (D) W
4. McCurdy (D) W
5. Edwards (R) A
6. English (D) W

OREGON
1. AuCoin (D) R
2. Smith (R) W
3. Wyden (D) R
4. Weaver (D) R

PENNSYLVANIA
1. Foglietta (D) R
2. Gray (D) R
3. Smith (D) R
4. Dougherty (R) R
5. Schulze (R) W
6. Yatron (D) R
7. Edgar (D) R
8. Coyne, James (R) W
9. Shuster (R) W
10. McDade (R) R
11. Nelligan (R) R
12. Murtha (D) R
13. Coughlin (R) W
14. Coyne, William (D) R
15. Ritter (R) W
16. Walker (R) W
17. Ertel (D) R
18. Walgren (D) R
19. Goodling (R) W
20. Gaydos (D) R
21. Bailey (D) R
22. Murphy (D) R
23. Clinger (R) W
24. Marks (R) R
25. Atkinson (R) W

RHODE ISLAND
1. St Germain (D) R
2. Schneider (R) R

SOUTH CAROLINA
1. Hartnett (R) W
2. Spence (R) W
3. Derrick (D) W
4. Campbell (R) W
5. Holland (D) R
6. Napier (R) W

SOUTH DAKOTA
1. Daschle (D) W
2. Roberts (R) W

TENNESSEE
1. Quillen (R) W
2. Duncan (R) W
3. Bouquard (D) W
4. Gore (D) R
5. Boner (D) W
6. Beard (R) W
7. Jones (D) W
8. Ford (D) R

TEXAS
1. Hall, Sam (D) W
2. Wilson (D) W
3. Collins (R) W
4. Hall, Ralph (D) W
5. Mattox (D) R
6. Gramm (D) W
7. Archer (R) W
8. Fields (R) W
9. Brooks (D) R
10. Pickle (D) W
11. Leath (D) W
12. Wright (D) R
13. Hightower (D) W
14. Patman (D) W
15. de la Garza (D) W
16. White (D) W
17. Stenholm (D) W
18. Leland (D) R
19. Hance (D) W
20. Gonzalez (D) R
21. Loeffler (R) W
22. Paul (R) W
23. Kazen (D) W
24. Frost (D) R

UTAH
1. Hansen (R) W
2. Marriott (R) W

VERMONT
AL Jeffords (R) R

VIRGINIA
1. Trible (R) W
2. Whitehurst (R) W
3. Bliley (R) W
4. Daniel, Robert (R) W
5. Daniel, Dan (D) A
6. Butler (R) W
7. Robinson (R) W
8. Parris (R) W
9. Wampler (R) W
10. Wolf (R) W

WASHINGTON
1. Pritchard (R) R
2. Swift (D) R
3. Bonker (D) R
4. Morrison (R) W
5. Foley (D) R
6. Dicks (D) R
7. Lowry (D) R

WEST VIRGINIA
1. Mollohan (D) R
2. Benedict (R) W
3. Staton (R) W
4. Rahall (D) R

WISCONSIN
1. Aspin (D) R
2. Kastenmeier (D) R
3. Gunderson (R) W
4. Zablocki (D) R
5. Reuss (D) R
6. Petri (R) W
7. Obey (D) R
8. Roth (R) W
9. Sensenbrenner (R) W

WYOMING
AL Cheney (R) W

EDITORIALS

A Haunting Image

The following is excerpted from an article by the Most Rev. J. Francis Stafford, auxiliary bishop of Baltimore. It appeared first in the commentary section of the Baltimore Sun:

RECENTLY, I have been haunted by the image of a school lunchroom. Two-thirds of the children in the room are eating lunch; the rest are only allowed to watch.

It is a painful image. But what is most disturbing is that in addition to being taught reading, writing and arithmetic, the well-fed children are learning to eat without concern for those who can not.

I wish the image were fantasy. Unfortunately, because of federal budget cuts, at least 500,000 children lost the right to a free or reduced-price school lunch this year. If this continues, many more will lose that and many other benefits.

Yet the decimation of the school lunch program is, I fear, only a symbol of the growing lack of a consistent policy for families on the part of the federal government. The government will allocate $1.4 million for the veterinary care of pets on military bases yet cut an even larger amount earmarked for immunization of poor children; $1.4 million would restore service to 35,000 of these children who otherwise will do without immunization.

IN THE UNITED STATES today, many millions of poor, low-income and previously middle-income families are suffering from unemployment. Yet, when they look to the federal government for help, they are met with cutbacks in financial assistance, the elimination of job training programs and very high interest rates that shackle economic growth. In return, they are offered tax cuts on salaries they only wish they could earn.

Joblessness has been solidly linked to the breakdown of family life. Social scientists have generated data showing that increases in unemployment are associated with rises in infant mortality, child abuse, alcoholism, suicide, heart disease and most crimes, including murder.

To lose one's job strikes at the very heart of what it means to be human.

MANY ARGUE that assistance to the poor has been too costly; advocates for the poor argue that the cuts are too severe. But even without focusing on the level of assistance, it is safe to say that:

- Most families affected by the cuts have low incomes or none at all;
- Little transition has been provided them to cushion the loss of these benefits;
- The cuts have occurred when the need is greatest, that is, when unemployment is high and few affected have the option of finding a better job or even any job.

The government promises that these persons will benefit eventually from its policies, that these policies need time to work. Yet those promised benefits have not arrived, even as the government has repeatedly pushed back the date of their arrival.

An Artful Dodger

CAN ANYONE take seriously President Reagan's expression of outrage when he went on television to call for the defeat of House members whose votes killed a horrendous balanced budget amendment that would have sullied the Constitution and put the economy in a straitjacket?

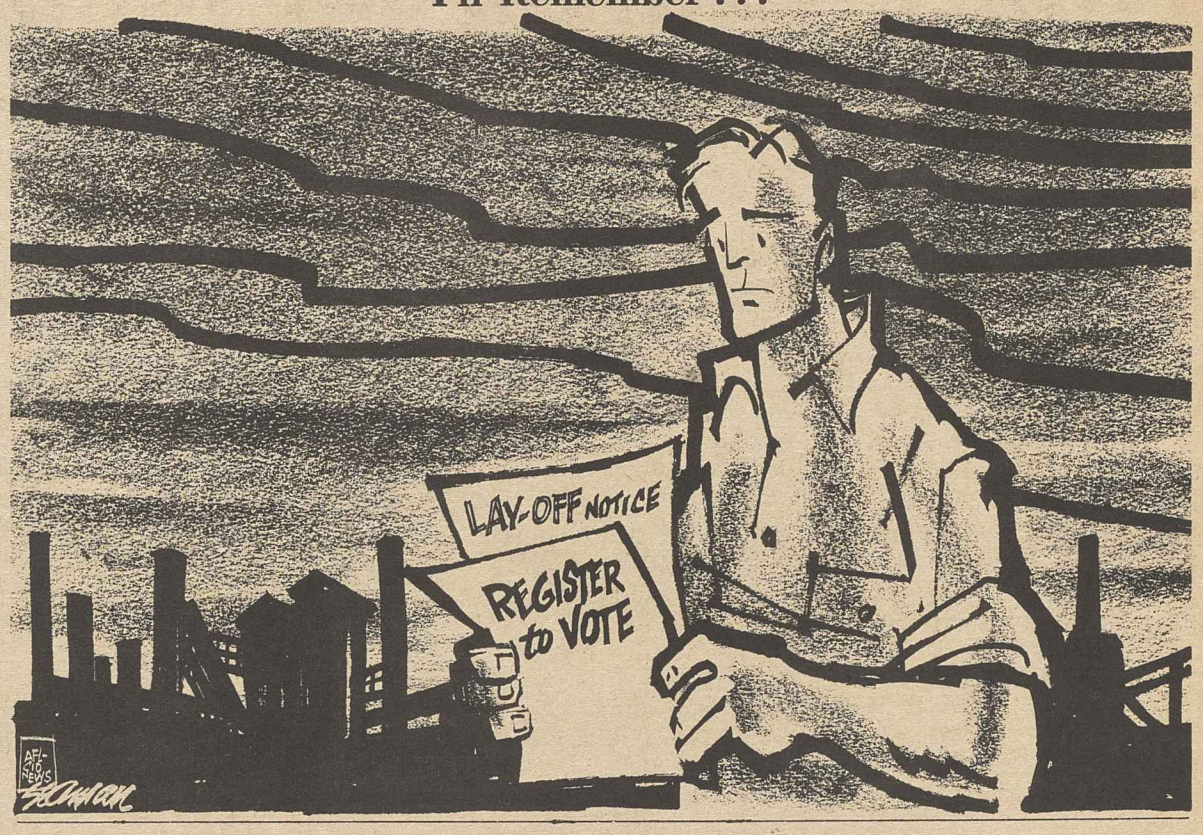
As the President started to walk away, a television reporter called out the obvious question, "Sir, what's unfair about the Democrats' assertion that if you want a balanced budget, you should submit a balanced budget?"

"Sam," the now genial President replied, "I shouldn't take any questions, and I'm not going to, but I'm going to answer that one because . . ."

At the end of the rambling response, came the insistent follow-up from the reporter: "That wasn't my question. You answered a question I didn't ask."

And it still hasn't been answered.

'I'll Remember . . .'



Washington Window

Reagan's failed policies undermine basic values

By Press Associates, Inc.

It seems that almost everyone in America recognizes that President Reagan's economic policies have failed—except the President himself.

The failure has been documented in elaborate detail by the well-regarded Urban Institute, a non-partisan, largely corporate-funded research organization.

The institute has released a 530-page study, "The Reagan Experiment," funded mainly by a $3 million Ford Foundation grant.

Although cast in scholarly language by its 27 authors, the message comes through loud and clear: The Reagan program not only is unfair, it hasn't worked and isn't likely to work in the future.

Failed theory

"From the start, it was doubtful that the performance of the economy could accommodate the goals of increasing defense, reducing taxes, and balancing the budget" at the same time, the study says.

Despite the "inconsistency of these goals," Reagan "disarmed his critics with optimistic projections based on supply-side theories," it continues.

"But the application of the theory failed to produce either the expected short-term recovery or the additional revenues needed to finance tax relief and military spending," it notes.

"The Reagan experiment with economic policy," it concludes, "has clearly not worked in the short run and is unlikely to live up to the Administration's expectations for the long run."

The study is clear in fixing responsibility for the recession. While "there was no supply-side miracle leading to economic recovery, the tight monetary policy endorsed by the Administration led to a recession."

But instead of job-creating government policies used since 1946 to cushion the impact of recession, a "fundamental change in economic policy was the Administration's rejection of any use of countercyclical stabilization policy," it points out.

As for programs needed for long-range economic growth, "programs aimed at developing human resources (education, training and social services) and improving public infrastructure (highways, mass transit and economic development) were disproportionately cut rather than maintained or reformed."

Building deficit

Meanwhile, the main result of the Reagan supply-side tax cuts "has been to enlarge future deficits." These deficits contribute to high interest rates, which dampen business investment and economic growth, the study notes.

Skyrocketing deficits also force choices of either reducing social programs, cutting military spending plans, increasing taxes, or a combination of these, it points out.

As for the question of fairness, it says the Reagan program not only aids the affluent at the expense of the poor and working poor, but also widens the gulf between richer and poorer regions of the nation.

Contrary to stated goals, the Administration's cuts in such income-related programs as welfare and food stamps "create major work disincentives for the near-poor and working poor," increasing their "vulnerability to economic dependency."

Regionally, the study says Reagan's tax and budget policies, combined with military spending increases which are "concentrated mainly in a few areas," will widen the economic gap between the richer Sunbelt states of the West and Southwest and the high unemployment Frostbelt states, especially the Midwest.

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Conservatives tied to world's economic ills

Brighton, England—Western industrial democracies are in economic crisis and the brunt of that crisis is being borne by working people, AFL-CIO Vice President John J. Sweeney told delegates to the 114th convention of the British Trades Union Congress here.

"Inflation, unemployment, high interest rates, and low economic growth are endemic to nearly every western democracy," said Sweeney, a fraternal delegate to the meeting representing the American labor movement.

In Britain and the United States, Sweeney observed, much of the economic difficulty can be traced to conservatives "armed with theories which they confidently promised would lead us to recovery and prosperity."

Disastrous result

"I leave it to you to assess the consequences of your government's policies," said Sweeney, who is president of the Service Employees. "As for the United States, the consequences have been disastrous."

A jobless rate of nearly 10 percent, underutilized factory operating capacity, mounting business failures, and falling profits make clear the message, Sweeney declared:

"Trickle-down economic theory—with its reliance on the magic of the free market and massive tax cuts for the wealthy—has not worked in my country any better than it has in yours."

Under the Thatcher Conservative Party government, unemployment in Britain has soared to 12.7 percent of the workforce, with more than 3 million workers out of jobs, the highest number since the height of the Great Depression in 1932.

Dignity of work

Speaking on Labor Day in the United States, "the one day in the year when the entire nation stops and celebrates the importance of working people," Sweeney stressed the dignity that work brings, and bringing dignity to humankind is what unions are all about, he observed.

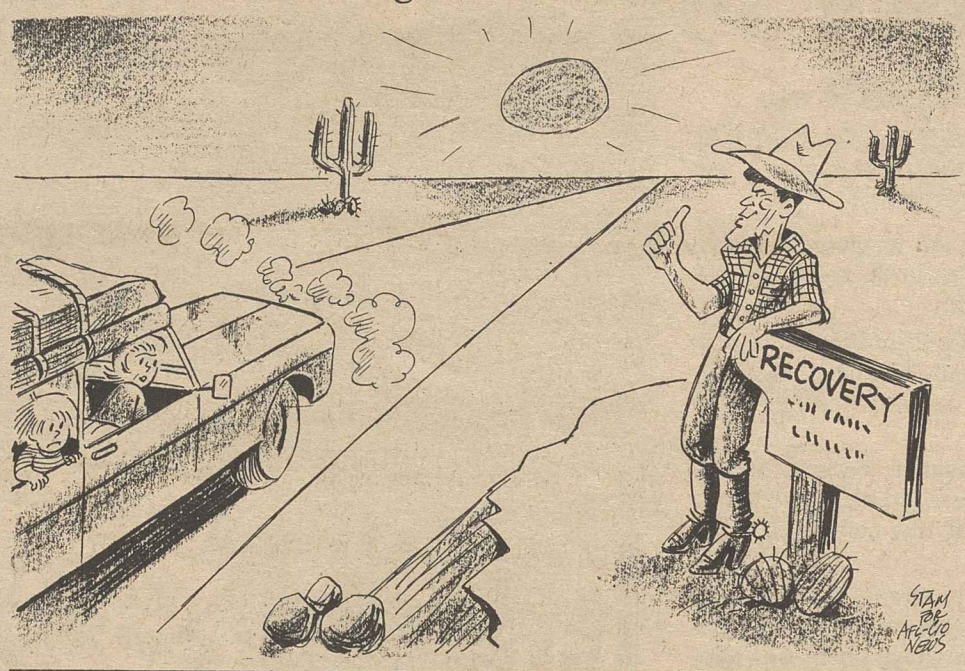
Labor's interest in human dignity extends beyond national borders, Sweeney noted. Common bonds unite working people, and the needs of workers are the same no matter what the political or economic system.

While hospital workers were walking picket lines in England, their American cousins were doing the same at hospitals all across the United States, he said.

"The one lesson that both our movements have learned over these years is the one being learned by workers all over the world—the struggle never ends," he said.

"We in the free trade union movement support the struggles of workers wherever they are—in Great Britain or the United States, in Poland or South Africa, in El Salvador or Northern Ireland," Sweeney declared.

'Turn Right at the Corner!'



Salvador killings detailed, judge's decision denounced

Continued from Page 1

to the world that it has both the desire and the ability to control the right-wing death squads that have murdered not only our American trade unionists but thousands of innocent Salvadoran citizens as well. This is the first time that military officers have been unequivocally implicated in the murders."

Investigation of the killings has been painstakingly slow and shrouded in secrecy largely because of El Salvador's tangled judicial system and also because of the involvement of the Federal Bureau of Investigation and the State Dept.

Hammer, an expert on agrarian affairs, went to strife-ridden El Salvador the day he was killed to assure Viera that he had the full support of the AFL-CIO in carrying out the country's land redistribution program.

During Christmas 1980, Viera had voiced concern to Americans about the pressures on him to quit his government job because of bitter political opposition. Pearlman, a consultant to AIFLD, was in the country to work on new regulations for implementing the agrarian reforms.

According to AIFLD, the night of the murders Lopez drove to the home of businessman Christ and the two of them later got in touch with Capt. Avila, whose uncle is a ranking figure on the Salvadoran Supreme Court. Lopez was accompanied by Dimas, his bodyguard.

Court testimony revealed that Lopez and Christ, their wives, and Avila went to the coffee shop of the Sheraton Hotel in San Salvador, where Viera, Hammer, and Pearlman later showed up also. Because the coffee shop was crowded, the three labor officials took a waiter's advice to go instead to the hotel restaurant nearby.

Avila told investigators Christ muttered a curse about Viera, got up and followed the three men into the restaurant to see where they were seated. Testimony revealed that after 11 p.m., Lopez, Avila and Christ went into the hotel parking lot, where Lopez told Dimas: "You are going to kill them." Lopez then ordered Gomez, the bodyguard of Maj. Mario Denis Moran, a National Guard officer, to help Dimas carry out the "job."

When Moran's bodyguard demurred, saying he was working for the major, Lopez walked back into the hotel, and returned moments later to say that Moran had said it was all right for Gomez to assist Dimas. Moran has denied giving such approval and has not been directly implicated in the murders.

Lopez gave a gun to Gomez, while Avila gave one to Dimas, testimony showed. The corporals told the court that Christ then led the two gunmen into the restaurant, and pointed out the victims.

Southern Labor School slates El Paso sessions

The 1982 AFL-CIO Southern Labor School will be held Nov. 14-16 in El Paso, Tex.

The school, sponsored by the federation's Dept. of Education, is designed for full-time state and local central labor body staff members and full-time national and international union representatives in Alabama, Arkansas, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina, Oklahoma, Tennessee, Texas and Virginia.

Discussion topics will include the impact of the results of the 1982 elections on labor, immigration problems, civil rights, the erosion of safety and health protections, an analysis of the Reagan Administration's policies, new industry in the South and Southwest and legislative issues.

Details are available from the AFL-CIO Dept. of Education, 815 Sixteenth St., N.W., Washington, D.C. 20006, Tel. 202-637-5146.

Panel widens union rights in OSHA cases

A federal review commission has widened the right of unions to intervene in settlements made by the Occupational Safety & Health Administration on employer violations.

The OSHA Review Commission ruled in a 2-to-1 decision that the Allied Industrial Workers could present evidence and have its objections heard on an OSHA settlement with Whirlpool Corp.

In welcoming the decision, AIW Safety Director Milan Racic noted that it "broadens the grounds" for unions to intervene in OSHA cases.

Earlier commission rulings, Racic observed, had permitted unions to intervene in settlements only on matters involving the amount of time an employer is given to correct a violation.

The new decision upholds an administrative law judge's ruling that a union can contest any part of an OSHA settlement, including the amount of the penalty and whether the settlement is appropriate for the violation.

Lung hazard

The case stems from a 1978 complaint filed by AIW Local 370 that workers at Whirlpool's plant in Fort Smith, Ark., were being exposed to excessive levels of TDI gas—toluene di-isocyanate—which causes severe irritation to workers' respiratory systems and is suspected of causing lung damage.

After receiving the findings of a hired consultant, OSHA agreed to a settlement with Whirlpool that reduced the violation against the company from "serious" to "other than serious."

The AIW, which intervened in the case, refused to sign the settlement and appealed to the review commission.

In filing the appeal, AIW asked OSHA to release information from the consultant's findings. OSHA refused, claiming the information was confidential.

In its order, the review commission sent the case back to the administrative law judge to consider the union's request for the information and other objections, as well as for a determination on whether to overturn the settlement.

Ruling in favor of the union's position were Commissioners Timothy F. Cleary and Bertram R. Cottine. Chairman Robert A. Rowland dissented.

Bargaining order scores hospital on union-busting

Milwaukee—Management at St. Francis Hospital here has been ordered to bargain with a unit of the Federation of Nurses & Health Professionals, after a three-member panel of the National Labor Relations Board in Washington upheld an NLRB administrative law judge's finding of numerous labor law violations by the hospital.

The union, a division of the American Federation of Teachers, had lost a representation election Oct. 26, 1979, by five votes. In the campaign, the hospital hired the management consulting firm of Modern Management, Inc.

An NLRB administrative law judge found that the loss was due to numerous anti-union tactics by the hospital, including promises of benefits to employees to encourage them to vote against the union, interrogation of employees, and threatening pro-union workers. The judge ordered the hospital to recognize and bargain with the union.

"From the very day that the union filed its election petition with the board's regional office," the NLRB said, "the hospital embarked upon a course of retaliatory unfair labor practices . . . (a) course of unlawful conduct designed and calculated to erode union support."

$5 million pay award hits HoJo

The Howard Johnson restaurant chain has agreed to repay more than $5 million it chiseled from workers by violating overtime pay provisions of the wage-hour law.

The settlement came in a consent judgment issued by the U.S. District Court in Massachusetts against the company's Howard Johnson's and Ground Round restaurants.

The suit, filed by the Labor Dept. during the Carter Administration in 1980, charged that the violations occurred at 900 restaurants around the country dating back to 1977.

More than 5,000 current and former workers whom the company classified as "assistant managers" and "management trainess," who earned less than $250 a week or were paid hourly wages are due the back pay.

The consent decree, signed by Federal Judge Walter J. Skinner, prohibits the company from further overtime and record-keeping violations under the Fair Labor Standards Act. Skinner also ordered the company to pay the Labor Dept.'s litigation costs.

The law requires the payment of overtime wage rates for all hours worked beyond 40 during any workweek.

The Labor Dept. described the $5 million back pay settlement as one of the largest on record.

Vice President John C. Kenneally of the Hotel Employees & Restaurant Employees said the wage-hour violations would not likely have occurred if Howard Johnson's workers were better organized. Describing the company as having a long record of anti-unionism, Kenneally said that fewer than 5 percent of its establishments are under union contracts.

Howard Johnson's is a subsidiary of a British-based international conglomerate, Imperial Group.

AFL-CIO news

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MEMO FROM COPE
PAGE 8

10.1% joblessness tied to Reagan

AFL-CIO President Kirkland tells jobs rally 10.1 percent unemployment is the "price of Reaganomics."

Double-digit rate highest since 1940

By James M. Shevis

Organized labor and its allies called for emergency legislation to put America back to work and for the election of a new Congress Nov. 2 to curb the Administration's "economic madness" as the nation's unemployment rate hit 10.1 percent with nearly 11.3 million people out of work.

The jobless rate in September was at its highest peak since 1940. Not since the country was emerging from the Great Depression have there been so many Americans out of work.

"These tragic figures reflect the terrible price of Reaganomics," AFL-CIO President Lane Kirkland charged. "They should surprise no one.

"Double-digit unemployment is the expected, inevitable result of the policies the Administration has pursued in defiance of reason and in disregard of human suffering since the day it took office."

Protest rally

It is not as though there is no work to be done, Kirkland told a Lafayette Park rally across the street from the White House. Noting that the nation's bridges and highways are crumbling, its dams and sewage systems aging, and its railroad track beds and mass transit systems deteriorating, Kirkland declared:

"There is plenty of work to be done—and plenty who want to work. But as the misery mounts, we are told to 'stay the course.'

"We say: No. Change the course."

"Our challenge is clear," Kirkland said. "We must elect a new Congress, a Congress that will look out into the real world, and address the nation's need for jobs now."

Other speakers representing the elderly, civil rights, labor, religious and student groups joined Kirkland at the rally in denouncing the high unemployment as a national disgrace. The groups belong to the Full Employment Action Council, chaired

Continued on Page 4

Solidarity ban

Kirkland calls on U.S. to halt Polish credits

The AFL-CIO renewed its demand that the U.S. government declare Poland in default of its debts for outlawing that country's free trade union, Solidarity.

Federation President Lane Kirkland, who also urged an end to the flow of credit to the Soviet Union and its other East bloc satellites, said the Polish government "has broken its solemn compact with the Polish people" in suppressing the free trade union movement.

"By replacing Solidarnosc (Solidarity) with a fragmented local union structure, with no national center, the Polish government has laid bare its intention of depriving Poland's workers of any voice in the nation's economic and political life," Kirkland said. "It has thus taken Poland another step down the road to social misery and chaos."

Broken commitment

A government which breaks its solemn commitment to its own population cannot be trusted to honor its commitments to its foreign creditors, Kirkland declared.

Later, on CBS-TV's "Face the Nation," Kirkland said a U.S. halt of credits is "the only way I know of to stop this constant financing of the Eastern bloc, the financing of the buildup of military power, and the enforcement of police-state measures."

"We're financing it as it stands now," he said. "Western banks are pouring credits into Eastern Europe at favorable rates of interest."

The outlawing of Solidarity Oct. 8 by Poland's parliament sparked strikes by thousands of angry Polish workers at shipyards in Gdansk, where the independent trade union sprang into life in August 1980, as well as in Wroclaw and the Krakow suburb of Nowa Huta. Workers in Gdansk chanted, "free Lech," a reference to Solidarity's imprisoned leader, Lech Walesa; "Solidarity, Solidarity," and "Pope, Pope, Pope." Polish-born Pope John Paul II has followed events in his native land closely, and has planned a visit there.

The law passed by the Polish parliament banishes all trade unions formed before 1982, sharply restricts the ability of any new unions to conduct strikes, and effectively bars broad-based trade unions representing workers from many different industries.

In a radio address to the nation Oct. 9, President Reagan condemned the ban as an "outrage" and announced steps to suspend Poland's "most-favored nation" trading status. The suspension will increase

Continued on Page 4

OSHA hit for plan to narrow access to data

By John R. Oravec

A 1980 federal standard giving workers and unions the right of access to data on exposure to toxic substances and medical records kept by employers should be broadened, not narrowed as the Occupational Safety & Health Administration proposes, the AFL-CIO said.

Testifying at OSHA hearings, federation Occupational Safety Director George H. R. Taylor warned that the proposed modifications would sharply reduce coverage and the scope of the access rule, with millions of workers being stripped of protections and regulations dropped on some 35,000 dangerous substances.

"There is no evidence supporting the modifications and restrictions proposed by OSHA," Taylor charged. "The only outcome of these changes will be to diminish worker protection."

Even though OSHA's experience over the past two years shows that the standard is feasible and workable, Taylor said, the federal job safety agency's motivation for the changes is based on complaints of "a

Continued on Page 5

Fear, anguish described

Gates closing on older workers

Unemployment among older workers is rising faster than among younger age groups, and union witnesses told the House Select Committee on Aging what that statistic means in terms of people's lives.

A committee report noted that a rising tide of plant closings is wiping out the jobs of older workers whose seniority had spared them from earlier layoffs.

Unemployment among workers 55 and over has jumped 24 percent since January, the report noted, and is at a postwar high of 771,000. Some 1.7 million workers 45 and older are unemployed, with hundreds of thousands of others not counted because they gave up a futile work search in discouragement.

Steelworkers President Lloyd McBride told the committee, headed by Rep. Claude Pepper (D-Fla.), of the "anguish" of older workers who face "the very real prospect of never being called back."

The permanent damage that has been done to the steel industry is far deeper than the cyclical periods of layoffs and recalls that workers experienced in the past, McBride stressed. The newly unemployed older workers must re-enter the job market to "compete with younger workers for a dwindling supply of jobs."

Harsh impact

Ron Friess, president of USWA Local 1212, which represents workers at the doomed Midland, Pa., plant of Crucible Steel Co., gave the committee a first-hand account of the plant closing impact.

The Crucible plant, which just a year ago employed nearly 5,000 workers, has been the community's principal employer and the mainstay of its tax base. Those who lost their jobs in earlier waves of layoffs are still largely unemployed. There is virtually no hope of jobs for those now becoming unemployed.

A section of the committee report noted also that older workers who do find other employment normally take a bigger pay cut in their new jobs than do younger workers. They are also out of work longer, with the duration of their unemployment averaging 23 percent above that of the workforce average.

McBride said the economic program the Reagan Administration has followed is "sapping the strength and morale of the nation."

He cited the vast backlog of "work that needs to be done" to repair and rebuild roads, ports, railways, airports, bridges, waterways and other deteriorated national resources.

"I know of no better time to begin rebuilding the infrastructure than now when we have so many idle but willing hands," McBride urged.

"What will be a burden later is an opportunity now," he stressed.

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10/16/82

Kirkland cites federal role in progress

Hanover, N.H.—America's unions look on government as a vehicle for progress, not as the burden perceived by the Reagan Administration, AFL-CIO President Lane Kirkland told a Dartmouth College audience.

Kirkland explained why in an address to more than 2,000 students, faculty and union members assembled at Dartmouth's Thompson Arena.

He spoke of "the filters of experience" that color his generation's view of the problems of today, and drew a picture of America before the New Deal, "when the federal presence was remote . . . and what business wanted, business got."

Before social security, there were county poorhouses. Communities were isolated by unpaved roads, farmhouses were lit by kerosene, and diseases of the poor were endemic until the federal government "got on our backs," Kirkland recalled.

Erosion wasted large tracts of America until federal programs "restored the land for the ultimate benefit of private industry as well as society at large," he pointed out.

Social revolutions

And democratic government steered the nation through social revolutions that bridged the gap "from a not-too-distant day of local lynch law and a pattern of racial apartheid every bit as brutal as that of South Africa."

Kirkland's address to a collegewide audience, and to a number of trade unionists from nearby New Hampshire and Vermont communities who came to hear him, was the centerpiece of a two-day participation in Dartmouth activities under a fellowship program established by the Dartmouth Class of 1930.

Kirkland spoke and answered questions in classrooms and seminars, at informal gatherings—and in a breakfast session with college employees arranged by the Service Employees local that represents them.

In his Thompson Arena address, Kirkland noted the parallel between the Hoover Administration that held office when the Class of 1930 left college and the Reagan Administration of the present day.

Then, too, he noted, "the man in the White House argued, with the most persuasive sincerity, that recovery was just around the corner if we but held the course and gave him more time at the helm." And then too, he said, people in both parties were advocating balanced budgets, reduced spending and lower taxes as "sure-fire cures for the nation's ills."

Concern on human affairs

Kirkland addressed with special concern what he termed "the central, enduring issue" of the times, "the dual nature of the state in human affairs."

A totalitarian state, unchecked, becomes "a deadly engine of oppression . . . a vortex sweeping hordes to concentration camps or Gulags," he said.

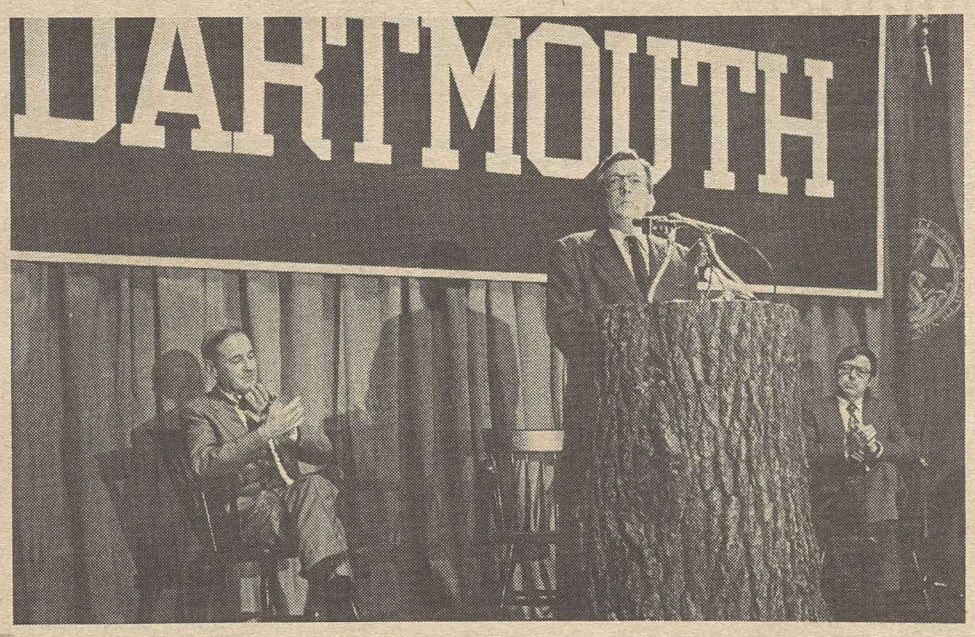
But when "held within democratic bounds by free citizens," the state "is the indispensable instrument of human progress."

It is not the function of the state to impose a "rigid view of appropriate patterns of private behavior," Kirkland said, although that is "an urge that Marxists-Leninists share with the apostles of Sen. Jesse Helms and the self-designated Moral Majority."

He suggested that defining the proper bounds of state power, in this country and abroad, is "the central task of this era" and one in which the trade union movement is deeply involved.

Democracy's strength

The strength of democracy is not that people can't be wrong or that voters always make the wisest decisions, Kirkland stressed. "Rather, the saving grace is that the process is self-correcting over time. There is always another chance, and no proposition can long escape the test of lively opposition."



Lane Kirkland addresses Dartmouth audience. At left is the chairman of college's trustees, Richard D. Hill, and at right, Prof. John H. Copenhaver, Jr., of the committee that brought Kirkland to the campus.

These safeguards, he said, make possible the advocacy of governmental authority for constructive goals. The labor movement is equally committed "to steadfast resistance to the abuse of state power and the vigorous advocacy of democratic solutions to our national problems through political and legislative action."

Kirkland spoke of the trade union movement's accomplishments through collective bargaining and through legislative endeavors—in terms of a better life for America's workers, and "the democratization of privilege"—the opportunities for education, travel, health care and "other advantages for centuries reserved to the few."

He spoke of the peril of the weakening of this country's industrial base and urged "the cooperation of labor, management and government in the development and execution of a sound national industrial policy."

America's youth, he suggested, must have "brighter prospects than employment in the servicing of Atari games or the dispensing of junk food."

He spoke of the tasks still to be done, among them the full achievement of equal rights for women and the repair of the nation's decaying infrastructure. "Must rotten bridges collapse under loaded school buses before work can begin?" he asked.

Gompers's credo

Kirkland read to the gathering what Samuel Gompers, the founding president of the American Federation of Labor, had expressed as labor's goals.

Not just "more" as is commonly quoted, Kirkland stressed, but "more schoolhouses and less jails . . . more constant work and less crime . . . more justice and less revenge."

As the audience, which had punctuated his speech with applause rose in an ovation, Kirkland concluded, "On that, I am willing to stand."

Viewing events through 'filters of experience'

Following is the text of AFL-CIO President Lane Kirkland's remarks at Dartmouth College, Hanover, N.H., Oct. 4, 1982.

I have been graciously invited here through the providence of the Dartmouth Class of 1930, a class that sallied forth to a world of harsher lessons than any conveyed to them in these halls.

As we stand today on eroding economic ground, edging toward a chasm whose distance and depth we cannot reckon, I shall not resist the temptation to draw certain parallels. The invitation did, after all, suggest that it would be in order for me to foretell the past and reminisce about the future.

Recently, following a lengthy meeting with then-Secretary of State Haig, I was asked by a reporter if I had learned anything new. I replied that I have learned nothing new about the world since the Great Depression, Munich, the Molotov-Ribbentrop Pact, and Pearl Harbor.

Price of experience

I was not being facetious, but simply using verbal shorthand to describe the filters of experience through which I am obliged to view events. If that is a crippling affliction of myself or my generation, be not proud. You will get yours, I pray at a lesser price.

Today, among journalists, politicians, businessmen and ordinary folk, there seems to be an obsession to perceive events long before they transpire. Political and economic soothsayers prosper and thousands of lovely trees are felled each day for the paper on which their divinations are inscribed. The coming dimensions of the money supply, the ever-receding arrival date of "recovery," the prospective turnover of congressional seats, and many other lines of inquiry reveal the degree of our impatience with the future.

The one forbidden answer for those who traffic in these matters is, unfortunately, the only correct one: "I do not know." Some may believe that to wise and knowledgeable souls coming events have a higher level of visibility and inevitability than that, but the record strongly suggests otherwise. Of the shattering events after 1930 that shaped our destiny, none was anticipated or even regarded as possible by the general wisdom.

Parallel of the '30s

Nineteen-thirty was a year, like today, when the man in the White House argued, with the most persuasive sincerity, that recovery was just around the corner if we but held the course and gave him more time at the helm. Candidates for the presidency from both major parties were about to run on platforms calling for balanced budgets, reduced spending and lower taxes as the sure-fire cures for the nation's ills.

The infallible pundit of the day, Walter Lippmann, was soon to write that Mr. Hitler was a reasonable man; that his needs and aims were limited and modest, and would surely be satisfied by the Sudetenland.

You can look it up.

Nazism and communism were, as all but fools knew, so antithetical that any notion that they might join in fraternal amity to draw and quarter Poland was inconceivable. And, of course, Japan was so notorious for shoddy goods as to be incapable of building a battleship that did not capsize on launching.

The point of all this is that nothing in the conventional wisdom, no shadow in the crystal balls of the day, no element of the dogma or doctrine of national leadership prepared the nation for its ordeal.

I suggest that there has been no real change in that essential circumstance. Yesterday, today and tomorrow, administrations are overtaken and driven by events outside their design, events which figure not at all in their campaigns for office.

Lyndon Johnson had his Vietnam; Richard Nixon his Watergate; Jimmy Carter his Khomeini; and Ronald Reagan should—but doubtless will not—profit by their example. Yet the judgment of history rests, not upon the design but the response to the trespass of reality.

My doubts arise not only because this Administration has shown no capacity to anticipate events, but because it misrepresents events that have long since transpired and are on the record.

In the case of his budget deficits, the President seeks scapegoats in the past. Yet, in fact, during the last years of the Johnson Administration, economic debate revolved around an emerging issue then termed "fiscal drag"—that is to say, the consequences foreseen of a mounting federal surplus that most economists then projected. The Heller-Pechman plan for revenue-sharing with the states was mainly a response to that concern.

And does no one remember that just two and one-half years ago, in the spring of 1980, Jimmy Carter sent to Capitol Hill a balanced federal budget?

Assessing the blame

President Reagan would have you believe that the financial problem currently facing the social security system is the product of past Democratic profligacy on behalf of the undeserving poor and elderly. Yet, in fact, the problem stems from a plan designed by conservative Republicans during the Nixon Administration—congressmen such as Byrnes of Wisconsin and Conable of New York—to limit statutory benefit increases and remove the issue from politics by the adoption of an annual automatic cost-of-living increase formula. That step, coupled with unemployment, gave rise to the problem that we must now proceed to solve.

Administration spokesmen continue to spread the smoke screen of free trade rhetoric, while our international competitors steal our industries and markets and close their own through the practice of rampant mercantilism.

While Western banks continue to finance Soviet arms and adventures and flagless corporations expose the soft underbelly of freedom to our adversaries, the President clings to the quaint notion that the issue between East and West is not the human rights of plain people, but Free Enterprise versus Communism.

Economic peril is not obsolete. Neither safety nets nor sophisticated computer models render us immune from the prospect faced by the Class of 1930.

Reagan's deficits

Economic mythomania of the kind that has now given voodoo a bad name, that has stripped the public coffers and brought a deficit that will exceed in Reagan's four years that of the previous twenty, may yet exact its full prcie.

Is there really any reason to safely assume that a Drysdale or a Penn Square are singular aberrations from the business norm, when note is taken of the august institutions which catered to their madness or their infidelity?

Could not a Drysdale doubled, or a Penn Square squared, trigger the kind of mindless panic that aborts transactions and wipes out values and concepts of values?

In such a case, mere facts and figures, whether from a computer or an abacus, point no sure road to salvation. Then one may begin to see the truth in Chesterton's claim that it is not poets, but mathematicians, who end up in madhouses.

If an impression can be drawn from the first two of these Reagan years, it is that

Continued on Page 6

Steelworkers, industry press dumping curb

The Steelworkers and the U.S. specialty steel industry made an urgent appeal to President Reagan to use his authority to curb the dumping of illegally subsidized specialty steel imports into the United States.

Following a press conference, Steelworkers President Lloyd McBride, officials of local unions and top officials of the specialty steel industry marched together to the White House to deliver a letter to Reagan.

The joint union-industry letter said the nation's specialty steel companies and their jobless workers cannot afford further delay by the government in enforcing international trade agreements to stem the growing influx of specialty steel products.

The letter noted that unemployment in some specialty steel companies, which produced such high-tolerance products as stainless and tool steel, has soared to more than 50 percent.

The letter also requested a meeting with the President and noted that the dumping problem has become far worse than when union and industry officials requested meetings last spring to no avail.

Complaints justified

Last December, the union and the industry filed a joint complaint charging illegal subsidies of imports against six European countries. Although the U.S. International Trade Commission found the complaints to be justified, the Commerce Dept. so far has delayed taking the necessary follow-through action.

At the Oct. 7 news conference, McBride announced that Britain had been added to the list of countervailing duty complaints because of allegedly illegally subsidized exports of flat rolled stainless steel.

McBride said that on Oct. 15, specialty steel mills around the country would blow their whistles to bring public attention to "workers denied jobs through no fault of their own, but through unfair imports."

On that "national day of mourning," McBride said a specialty steel plant in Midland, Pa., formerly employing 5,000 men and women, is set to shut down. "We are asking churches in our plant communities to toll their bells," he said.

Steel dumping assailed

Labor-industry appeal is made to President Reagan to curb the dumping of illegally subsidized steel in U.S. markets. President Lloyd McBride of the Steelworkers and Adolph J. Lena, left, of the Specialty Steel coalition delivered the message to the White House following a press conference.

ILO chemical parley stresses right to establish true unions

Geneva—Frank D. Martino, president of the Chemical Workers, hailed as a "marvelous breakthrough" the clear distinction won at the International Labor Organization between free and independent trade unions and the so-called workers' representatives who often serve as government or company stooges.

Martino noted at the close of a ten-day session of the ILO's chemical industries committee that the victory was achieved in a unanimous resolution affirming the right of chemical workers "to be represented by freely elected, independent and democratic unions of their own choosing."

The worker, employer and government delegates of 21 industrialized and developing countries confirmed in the resolution workers are entitled to establish such unions "without influence and interference" by governments or management, whether of state-owned or private enterprises.

The insistence that the term "trade unions" be used in the conference's documents instead of only "workers' representatives" was needed to provide a "very serious distinction" between the West's free labor unions and those controlled by governments, as in the communist countries, or by corporations, Martino said.

He and Lewis C. Moore, vice president of the Oil, Chemical & Atomic Workers, were the worker members of the U.S. delegation. Frank Lunney, international affairs director of the Steelworkers, completed the AFL-CIO team as an adviser.

Key development

Lunney concurred with Martino in viewing the recognition of the need for free trade unions as the "most important outcome of the session."

The adoption of the resolution on the issue of free trade unions was at the same time an "automatic rejection of company unions, yellow unions and unions dominated by governments or companies," Lunney said.

Strong employer objections to the distinction drawn between free trade unions and "workers' representatives" had to be overcome in the conference's committee on industrial relations, where the main battle was fought. Martino helped chart the strategy of the free workers as a member of this committee.

Employer opposition to the stand of trade unionists was weaker in the conference's committee that dealt with manpower training for the chemical industries in the developing countries, Moore reported.

Moore, who served on this committee, said there was less confrontation because the employers appreciated that their contributions to manpower training "benefit them as well by assuring more efficient operation of their plants."

The worker delegates, Moore said, emphasized the need for multinationals that operate in the Third World to give the same importance to the training of workers in the areas of safety and health as to making them more productive.

Martin J. Ward dies at 64, led Plumbers, Pipe Fitters

Martin J. Ward, president of the Plumbers & Pipe Fitters since 1971 and an AFL-CIO vice president for the past decade, died Oct. 9 after a heart attack.

Ward, who was 64, also had been an adviser to the U.S. worker representative to the International Labor Organization since 1974 and served as chairman of the AFL-CIO Executive Council's standing committee on international affairs.

Ward developed a deep interest in international labor matters as he rose through the ranks of his union—the United Association of Journeymen & Apprentices of the Plumbing & Pipe Fitting Industry of the United States & Canada—known among its members as the UA.

"In the far-flung parts of the world, generations of workers yet unborn will fare a little better because Marty gave so unstintingly of himself in pursuit of free trade unionism," AFL-CIO President Lane Kirkland and Sec.-Treas. Thomas R. Donahue said.

"In the UA, in the federation and in unions around the globe, Marty's work will truly live after him," Kirkland and Donahue said. "No one could have a better eulogy."

Ward was born into the piping trades, beginning his apprenticeship in 1937 with the same UA Local 597 in his native Chicago in which his father was a journeyman fitter. Ward became a journeyman in 1942. He served in the Navy during World War II.

After returning to his trade, Ward served as an apprentice instructor and later became business representative of Local 597. He became assistant business manager in 1952 and business manager of the local in 1952.

The UA elected him assistant secretary-treasurer in 1958 and its secretary-treasurer in 1966. He was appointed assistant president in 1969.

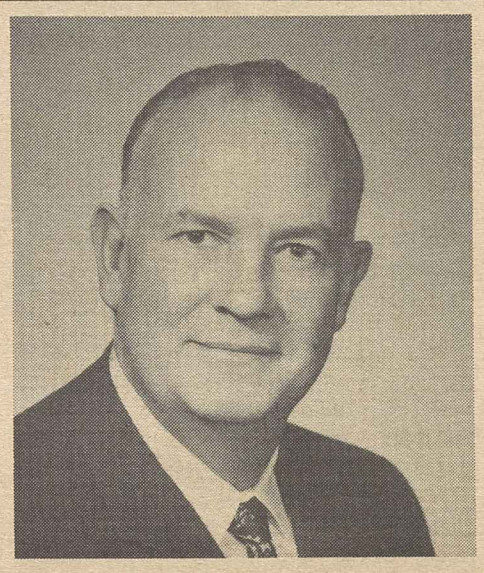
The union's executive board made Ward acting president in June 1971, and he was unanimously elected president at the UA convention in August of that year.

Ward also has served since 1971 as a vice president of the AFL-CIO Building & Construction Trades and Industrial Union Departments.

Among his numerous Executive Council assignments, Ward served on the COPE operating committee, economic policy committee, housing committee and civil rights committee. He also was on the boards of trustees of the American Institute for Free Labor Development, African-American Labor Center, Asian-American Free Labor Institute, Human Resources Development Institute and the AFL-CIO Mortgage Investment Trust.

Survivors include his wife, Winifred, seven sons and nine grandchildren. A funeral mass was said Oct. 13 at St. Matthew's Cathedral in Washington, and burial was at the Gate of Heaven Cemetery in Silver Spring, Md.

The UA executive board was to meet shortly to select a successor. Ward's term would have expired in 1986.



MARTIN J. WARD

Auto Workers resume talks with Chrysler

Detroit—The Auto Workers and the Chrysler Corp. agreed to meet Oct. 15 to resume talks on a new contract covering the firm's 45,000 production workers.

Unofficial results of the union's rank-and-file ratification vote on a tentative agreement reached Sept. 16 showed UAW members rejecting its terms by a vote of about two to one. Balloting was scheduled to end Oct. 14.

The proposed contract would have restored cost-of-living adjustments Chrysler workers gave up last year to help the company solve its financial problems. It also called for quarterly wage bonuses through next summer if Chrysler were profitable enough. But UAW members, who have not had a raise for nearly two years, wanted an immediate wage increase.

'Clear message'

UAW President Douglas Fraser told a news conference here: "It should be apparent to Chrysler that the economic provisions of the agreement aren't up to workers' expectations. That message is clear."

The UAW summoned its national Chrysler bargaining committee—nine representatives of the rank and file and the presidents of its 54 U.S. Chrysler locals—to meetings before the opening of new talks to lay strategy.

Meanwhile, the union continued its strike against the Caterpillar Tractor Co., where talks involving 36,000 workers broke down. Negotiations continued between the union and John Deere & Co., involving 29,000 employees. Contracts with both companies expired Sept. 30. The union agreed to extend the agreement indefinitely with Deere while bargaining proceeds. In the Caterpillar negotiations, the Federal Mediation & Conciliation Service has scheduled a new meeting Oct. 27.

In other bargaining, UAW members ratified a new early contract with Rockwell International, covering some 5,200 workers at 10 plants in six states.

Endorsements focus of Vermont state convention

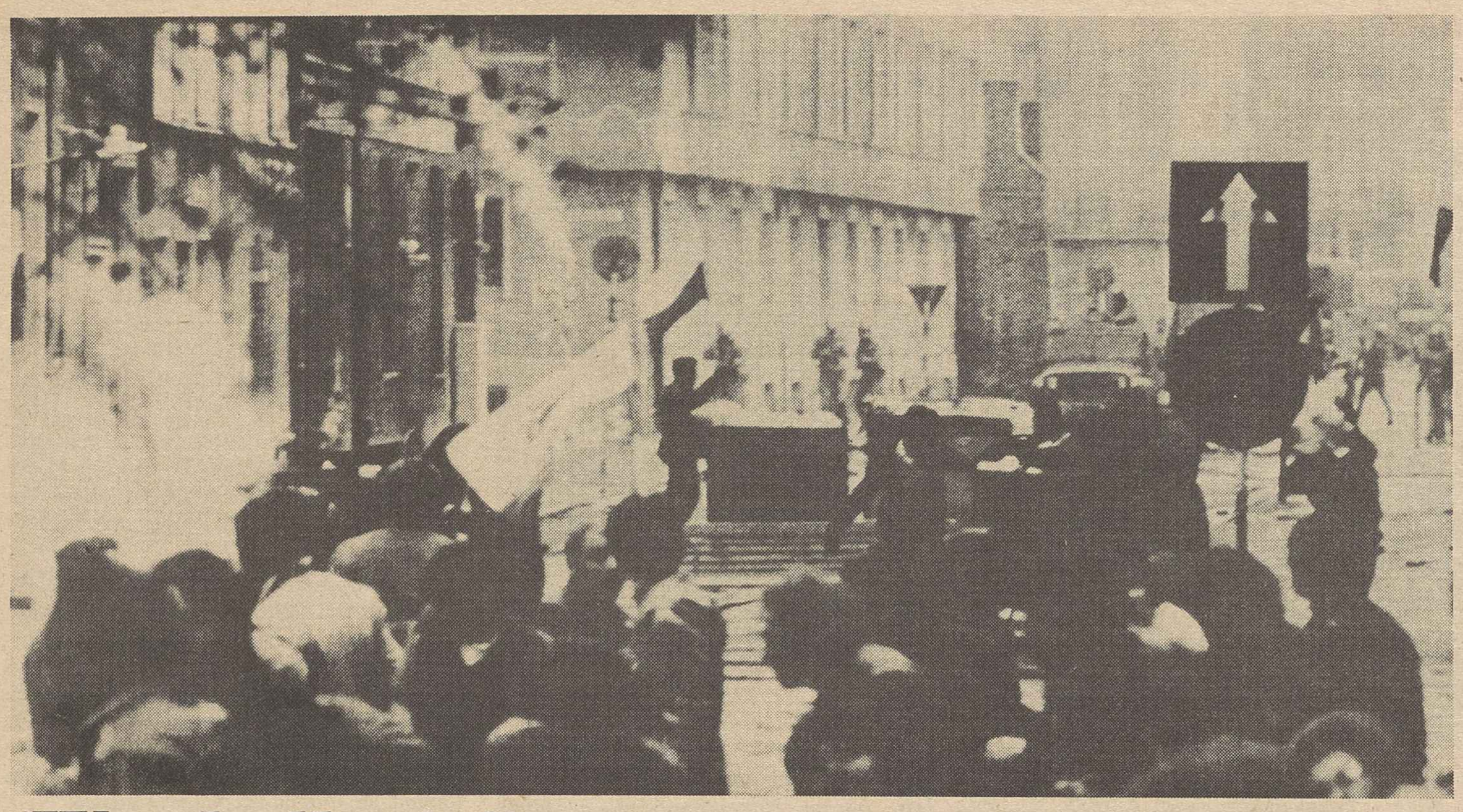
Burlington, Vt.—Delegates to the 28th annual convention of the Vermont State AFL-CIO endorsed candidates in this fall's elections and drew up an agenda for the coming year.

For the U.S. Senate, the convention endorsed Democrat James Guest. For the House of Representatives, the 100 delegates gave their backing to Democrat Mark Kaplan. Democrat Madeleine Kunin was favored for governor and Republican Peter Smith received endorsement for lieutenant governor.

Speakers at the three-day meeting included retired national COPE director Al Barkan; President Joyce Miller of the Coalition of Labor Union Women; James Kennedy, executive assistant to AFL-CIO Sec.-Treas. Thomas R. Donahue; Pat Porter of the Committee for a Secure Israel; Frank Myers, assistant director of AFL-CIO Region VII, and author Studs Terkel.

Richard Gammell, president of Steelworkers Local 5518, was elected to the post of executive committeeman at large. Marian Pierce, who had held the office the past 14 years, retired this summer. She was presented a plaque by State AFL-CIO President Robert E. Clark. Regional COPE Director Madeline Matchko presented her a watch and pin in recognition of her volunteer time to COPE.

Among the resolutions approved by the convention were measures calling for an equal rights amendment to the Vermont constitution; support for the Vermont Coalition for Health, a labor-business group formed to hold down health care costs, and support for improvements in the state workers' compensation law.



'We shall win!'

Poles demonstrate in support of the Solidarity trade union in the old town section of Gdansk, the birthplace of the independent labor organization, and in protest against the government's new trade union law which effectively outlaws Solidarity. The banner set on a barricade bore the legend, "Solidarity—we shall win."

Double-digit jobless rate decried as 'terrible price' of Reaganomics

Continued from Page 1

by Clothing & Textile Workers President Murray H. Finley and President Coretta Scott King of the Martin Luther King, Jr. Center for Nonviolent Social Change.

King told the assembly that Reagan's extremist, conservative economic policies are setting new records not just in the numbers of unemployed, but also in the number of home mortgage foreclosures, business and bank failures, and in the size of the federal budget deficit. She said the coalition is determined to press Congress for an emergency jobs-creation bill.

President Dorothy Ridings of the League of Women Voters, saying "we refuse to accept the Administration's excuses for its continuing disregard for human suffering," called for a long-term plan to get Americans working again, millions of them women forced to work because of deteriorating economic conditions.

Auxiliary Bishop Eugene Marino of the Catholic Archdiocese of Washington said America cannot afford the destructive impact that joblessness has had on families nor other social costs of continued high unemployment such as rising crime, infant mortality, disease, and suicide rates.

Rabbi David Saperstein, director of the Washington office of the Union of American Hebrew Congregations, observed that "despite what President Reagan believes, God has not ordained supply-side economics." He said economic programs are man-made inventions, and Reagan's have "failed utterly" to advance America's best interests.

Spreading joblessness

For vast numbers of American workers, double-digit unemployment is nothing new. Twelve states and 72 major metropolitan areas have experienced joblessness of 10 percent or more for at least three months. Among black workers, the unemployment rate is a record 20.2 percent, a rise of 1.4 percent in September alone.

Joblessness among blue-collar workers rose also by 1.4 percent to 15.6 percent last month, the Bureau of Labor Statistics said in its monthly report on employment and unemployment. Among major industry groups, jobless rates for construction workers jumped 2.3 percent to 22.6 percent and 1.7 percent to 13.8 percent for factory workers. The rate for service workers inched up from 10.6 to 10.7 percent.

As Kirkland noted, the official government figures badly understate the facts. BLS reports but does not count among the unemployed the 1.6-million so-called "discouraged" workers who have given up searching for jobs that do not exist. It also ignores the fact that 6.9 million of those it counts as fully employed are working only part time because full-time jobs are not to be had.

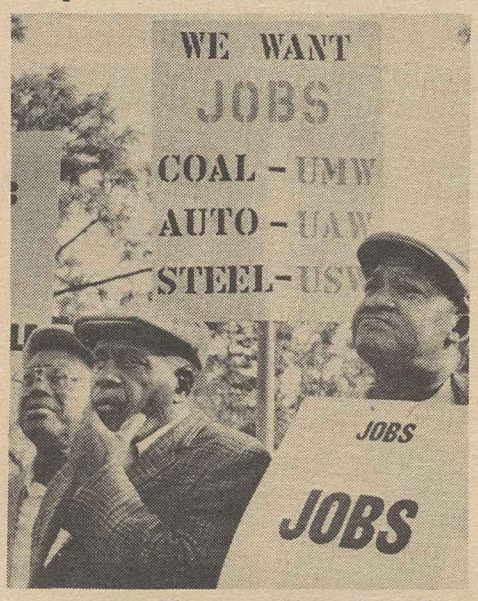
"Adding the first group and half of the second to the official total of 11.3 million unemployed gives a total of 16.3 million jobs that are needed," Kirkland said. "The true unemployment rate is not 10.1 percent. It is 14.5 percent."

Using just the official statistics, the 11,260,000 people out of work last month was an increase of 450,000 since August and more than 3 million in the last 12 months. The increase pushed the September jobless rate to its highest point since the 14.6 percent recorded for the year 1940. Last month's 10.1 percent rate compares to 9.8 percent in both July and August.

Adults hit hard

While all sectors of the labor force have suffered from the Reagan Recession that began in July 1981, adult males have been hit particularly hard. Their rate of joblessness climbed from 8.9 to 9.6 percent in September. The latest BLS report also shows that more than 60 percent of those without work last month were over 25 years of age. Three years earlier, when the overall jobless rate was 5.8 percent, those over 25 accounted for only half the total.

Among black men, the unemployment rate has climbed from 12.7 to 19.8 percent since the recession began 15 months ago. Among white workers, the jobless rate has risen from 5 to 8.6 percent over that period.



Faces at Washington jobs rally reflect anxiety over double-digit unemployment.

In testimony before the congressional Joint Economic Committee, BLS Commissioner Janet L. Norwood noted that manufacturing has been set back sharply by the recession, with durables industries such as autos and machinery especially hampered by high interest rates.

The service-producing sector of the economy, which employs about three of every four American workers, is generally less affected by economic downturns than the goods-producing sector, Norwood observed. Even so, service sector payrolls have declined by about 190,000 jobs since July 1981. And retail trade employment, which usually expands in September, dropped by about 45,000 jobs last month.

"There has been a weakening in employment on almost every front and there are a number of signs that are quite worrying," Norwood said. One of these worrisome indicators was a further decline in the length of the average factory work week, which dropped four-tenths of an hour to 38.6 hours in September, the second monthly decline in a row.

The factory work week, which is now below the 1973-75 recession level, is discouraging for what it has to say about possible future trends, Norwood said. Businesses usually begin to add hours to their work week before adding employees, as they gear up for increased production.

Reaction brisk

Following announcement of the official government figures on unemployment, demonstrators gathered at Lafayette Park for the Join Hands for Jobs rally sponsored by the Full Employment Action Council. President Howard D. Samuel of the AFL-CIO Industrial Union Dept., who is secretary-treasurer of the council, introduced the first speaker, council cochairperson King, with each speaker in turn introducing the next "witness" to the tragic toll of high joblessness on American society.

Speakers included Stephen Brobeck, director of Consumer Federation of America; Jacob Clayman, president of the National Council of Senior Citizens; Craig Livingstone, vice president of the U.S. Student Association; Leon Shull, executive director of Americans for Democratic Action; Benjamin Hooks, executive director of the NAACP; Mine Workers President Sam Church, Jr.; Dr. John R. Houck, general secretary of the Lutheran Council in the U.S.A.; M. Carl Holman, president of the National Urban Coalition; Tony Bonilla, president of the League of United Latin American Citizens, and Service employees President John J. Sweeney.

Stiff sanctions urged against Polish rulers

Continued from page 1

tariffs on manufactured goods imported from Poland but will not have any immediate effect. The United States now takes only about 2 percent of Poland's total exports, State Dept. figures show.

While Reagan warned that he is "prepared to take further steps as a result of this further repression in Poland," Kirkland called the President's action "a relatively weak response to a situation that is of enormous importance."

Meanwhile, underground Solidarity leaders in Poland called for a four-hour nationwide strike on Nov. 10 to protest the ban on the union. In a statement signed by four Solidarity leaders, the union appealed to "all working people, no matter to which unions they belong, for a massive nationwide protest against lawlessness and poverty."

The statement called for the strike on the second anniversary of Solidarity's registration by a Warsaw court.

"Solidarity exists and will exist, no matter if someone likes it or not," said the statement, signed by members of the union's National Coordinating Commission.

Kirkland charged that the action outlawing Solidarity dissolution was a "blatant violation" of the International Labor Organization's Convention No. 87 guaranteeing freedom of association and pledged that the AFL-CIO, in cooperation with the International Confederation of Free Trade Unions, would demand "an accounting by the Polish government at the ILO and in every international labor forum in which we participate."

Only legitimate voice

"We shall not waver in our support for Solidarnosc—the only legitimate voice of Poland's workers," Kirkland said.

In Geneva, where the ILO is headquartered, Director-General Francis Blanchard released the text of a cable sent Oct. 8 to the Polish military government charging that the new Polish law on trade unions is contrary to ILO Convention No. 87. Blanchard said the United Nations specialized agency would formulate its conclusions on the new law when its Governing Body and Freedom of Association Committee meet Nov. 7.

Solidarity's rapid rise two years ago to a mass organization of 9.5 million members was an attempt to introduce pluralist institutions into a totalitarian state. It was the first time that independent trade unions had been allowed to exist in a communist-ruled nation. Polish authorities suspended the union 10 months ago when they imposed martial law.

Hotel union picks Herman Leavitt to fill key vacancy

Los Angeles — Herman Leavitt was elected secretary-treasurer of the Hotel Employees & Restaurant Employees at the union's executive board meeting here. He will serve the four remaining years of the term which became vacant when John Gibson retired in May.

Leavitt has been HERE organizing director since 1980. Earlier, he served as vice president at-large and administrative assistant to President Edward T. Hanley.

The HERE board chose Vice President Paul McCastland as the union's new organizing director and elected Alvero Gonzalez of Miami to the fourth district vice presidency left by McCastland. Gonzalez has been secretary-treasurer and business agent of Local 355 since 1979.

In other action, the board elected Florence Farr as third district vice president to succeed Herbert R. Triplett, who retired. Farr is secretary-treasurer of Local 24 in Detroit.

Toxic substances standard

OSHA scored on bid to curb access to data

Continued from Page 1

few employer groups that have never learned to live with the regulation."

The Chemical Manufacturers Association argued in its testimony that unions should not have the automatic right of access to employer-maintained records on worker exposure to toxic substances, contending that such access is subject to collective bargaining.

Taylor said the federation's prime concerns on OSHA's attempt to weaken the access rule focus on:

- Changing the definition of the terms "toxic substance and harmful physical agent," thereby narrowing the scope of covered chemicals from 39,000 to 3,500. If implemented, employers would no longer have to maintain records on 90 percent of the substances now classified as toxic or harmful.
- Excluding from coverage workers who are not directly involved in the manufacture, processing and handling of toxic materials, such as service and maintenance employees.
- Eliminating exposure and medical records dealing with chemical identity and biological monitoring.
- Reducing the time employers are required to retain exposure and medical records, particularly those of short-time employees and construction workers. Under the current rule, records must be kept for at least 30 years.
- Permitting employers to withhold the identity of certain chemicals they deem a trade secret. This means that employers would be given the sole authority to determine what is a trade secret.
- Restricting union access to records, a right recently upheld by the National Labor Relations Board in a decision being appealed by employers.

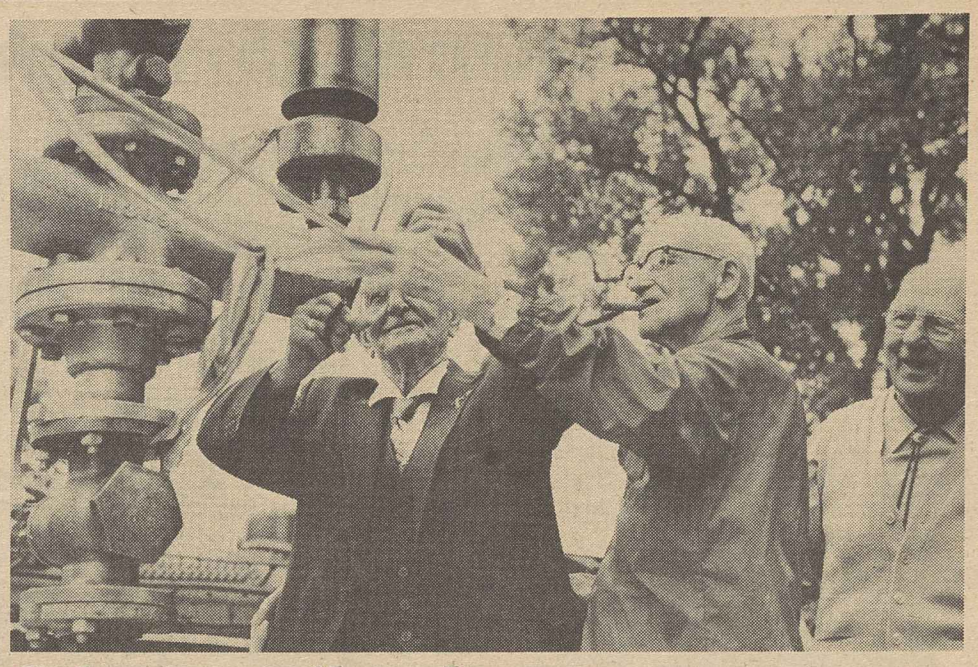
In urging the federal safety agency to leave the 1980 access rule intact, Taylor said "it is high time that OSHA under the Reagan Administration realizes that protection of workers—not business interests of employers—is the agency's primary responsibility."

Undermine gains

The National Institute of Occupational Safety & Health also took issue with the proposal to reduce record-keeping time. The change "could seriously undermine the improvement of the epidemiological base used to identify occupational illnesses and injuries," NIOSH said in its testimony.

NIOSH insisted that the current regulation does not impose an extra burden on most industries, stressing that the longer retention period for medical records is needed by researchers for studies on occupational diseases and illness.

Additional testimony opposing OSHA's proposal to weaken the access standard was delivered by the AFL-CIO Food & Beverage Trades Dept., Building & Construction Trades Dept., the Oil, Chemical & Atomic Workers, Auto Workers, Chemical Workers, the Electrical, Radio & Machine Workers, Paper Workers, Steelworkers, the State, County & Municipal Employees, Clothing & Textile Workers, and the Painters.



Salute to railroaders

Monument topped with a five-foot steam whistle is dedicated to railroad workers at Miller Park in Bloomington, Ill. Retired railroaders Harry Rhoads, 93, Railway Carmen; Joe Fellenz, Sr., 90, International Brotherhood of Electrical Workers, and Joe Penn, 84, Machinists, cut the ceremonial ribbon. The monument, adjacent to a retired steam locomotive, was built by the Bloomington-Normal AFL-CIO with a CETA grant. The whistle is a relic from the old Chicago & Alton Railroad shops that was used to signal shift changes.

Supreme Court thwarts challenge to agency shop

The Supreme Court refused to consider an appeal supported by the National Right to Work Committee that challenged a Minnesota law authorizing agency shop fees from public employees who choose not to join the unions that bargain for them.

Minnesota's highest court had upheld the obligation of a teacher to pay a "fair share fee" to a local of the American Federation of Teachers in lieu of dues. The unsuccessful appeal to the Supreme Court was based on an assertion that federal constitutional rights were infringed by the agency shop requirement.

Most of the initial actions of the Supreme Court, which began a new term after its summer recess, involved denial of review—which lets a lower court decision become final but does not of itself establish a precedent for future cases.

One of the more important denials of review also involved the Teachers—and the important labor issue of seniority rights in a contract covering public employees.

The Boston Teachers Union, supported by the parent AFT, had sought Supreme Court review of a federal judge's order that layoffs not reduce the percentage of minority teachers in the Boston school system and that black teachers be given absolute preference for recall until a 20 percent quota of black teachers is achieved.

AFT President Albert Shanker said he still hopes the Supreme Court will take up the issues involved by granting review to one of several similar cases now moving through the court system.

The union's concern, he stressed, is to protect "the integrity of our contracts and the time-proven system of color-blind, race-neutral seniority."

1,100 layoffs

The AFT noted that the layoff formula devised by the district court in Boston had resulted in the layoff of more than 1,100 tenured white teachers, some with as many as 18 years of seniority, while no tenured black teachers lost their jobs.

One potentially significant case was dismissed by the court—as most attorneys had expected—as "moot" or no longer of practical significance.

It involved an appeal by the National Organization for Women from a ruling by a federal district judge in Idaho that a state could rescind its ratification of the proposed Equal Rights Amendment any time before the amendment was ratified by the required three-fourths of the states. The ruling held also that Congress lacked the power to extend the time for ratification beyond the original seven-year deadline.

The Supreme Court vacated the lower court ruling, thus diminishing whatever influence it might have as a precedent.

The Supreme Court did agree to review an appellate court decision holding that employer payments to union health and welfare, pension and training funds are part of a worker's average weekly wage in the determination of death benefits under the Longshoremen's & Harbor Workers Compensation Act.

Both the Labor Dept. and the employer are challenging the interpretation of wages adopted by the U.S. Court of Appeals for the District of Columbia.

Football bargaining resumes after agreement on mediator

Management representatives sat down at the bargaining table with striking National Football League players after agreeing to a private mediator to help resolve the sticky contract dispute.

Sam Kagel, a veteran mediator and arbitrator from San Francisco, accepted the task of bringing the two sides to productive face-to-face negotiations as the strike entered its fourth week. No negotiations had been held since Oct. 2.

Although owners had rejected all nine private mediators in a list proposed by the NFLPA, the management council acceded to the proposal of Kagel by the Federal Mediation & Conciliation Service.

NFLPA President Gene Upshaw and Executive Director Ed Garvey welcomed the selection of Kagel, who has served as an arbitrator in handling the union's grievance procedures.

However, Upshaw and Garvey cautioned against the assumption that the presence of a private mediator would automatically bring a settlement.

Start of talks

"We see this as the beginning of negotiations, not the end of the strike," they said. "We are hopeful that Sam Kagel will be able to get management to address the major issues so that rapid progress toward an agreement can be made."

A key issue in the dispute is the union's proposal for a wage scale funded largely by the league's television contract revenues, expected to bring owners $2.1 billion over five years.

Immediately after bringing the management council and union negotiators together for talks in the Baltimore suburb of Cockeysville, Kagel imposed a news blackout. Both sides have expressed a willingness to negotiate around the clock.

While the league announced the cancellation of games for the coming weekend, the union was making final preparations for the first in a series of all-star games Oct. 17 in Washington.

Barring a federal court injunction, the game will pit the league's National Conference eastern division against the American Conference eastern division. Team owners have sought to block the games through litigation.

The games will be televised nationally by Turner Broadcasting of Atlanta as well as 100 commercial stations around the country.

The western division of the NFC and AFC will play Monday night, Oct. 18, in Los Angeles. The union has drawn up plans for an 18-game series.

Stage Employees reach pact with Hollywood producers

Los Angeles—The Theatrical Stage Employees reached agreement with the Alliance of Motion Picture & Television Producers on a new contract providing for a 26.2-percent wage increase over three years.

The pact, which affects about 20,000 workers, must now be ratified at IATSE membership meetings through mail ballots within 10 days. The agreement came after IATSE announced that its members had voted 84 percent in favor of a strike.

IATSE represents industry employees who work behind the cameras, such as property craftsmen, studio grips who assist the cameramen, studio projectionists, photographers, film technicians, costumers, editors, illustrators, sound technicians, and others.

The producers' group represents the seven major Hollywood motion picture studios, film processing labs, and small and large independent producers.

The 23 Hollywood IATSE locals covered by the settlement also signed individual agreements with the producers, but these are subject to the basic agreement between the union and the alliance.

The new agreement raises major medical plan benefits from $2,500 to $5,000. Also, the contract provides additional health insurance protection for disabled persons, increased employer contributions to a dental plan, and an additional paid holiday.

The agreement also calls for a 10-percent increase in retirement benefits for current and future retirees, and allows for early retirement at age 62 with full benefits.

Meanwhile, the Motion Picture Screen Cartoonists, Local 839 of IATSE, voted to end its nine-week-old strike against the producers and return to work.

The local's 1,600 members, who are covered by the new pact with the Alliance of Motion Picture & Television Producers, had struck to retain a contractual provision limiting the amount of animation work sent outside the United States. While negotiations on this issue will continue with at least two major producers, the restrictions are not included in the new agreement.

The union had previously signed new contracts with eight small production companies that retained the restrictions on runaway work.

Conference to explore impact of technology

Indiana, Pa.—The impact of economic and technological changes on northern industrial states will be explored at a three-day conference sponsored by Indiana University of Pennsylvania.

Discussions will focus on solving the problems of unemployment, productivity and communities. Speakers at the Oct. 21-23 conference, titled "The Industrial North: the Future of Jobs, Productivity and Community," will include Sec.-Treas. Jacob Sheinkman of the Clothing & Textile Workers and President Julius Uehlein of the Pennsylvania AFL-CIO.

Viewing events through 'filters of experience'

Continued from Page 2

an Administration whose policies are guided so doggedly by myth and fallacy will be undone by its own legislative victories. It has now found itself reduced to retromingency, passing the buck backward to its predecessors—including those of the President's own party.

Yet none of these unforeseen events and circumstances of our time are accidents of chance or the random whims of fate. They flow from the central, enduring issue of this day and this century: the dilemma and contradiction posed by the dual nature of the state in human affairs.

Power of the state

The state embodies and magnifies the frailties of man and his capacity for good or ill. The state, unchecked and unopposed, is a deadly engine of oppression in its extremes, a vortex sweeping hordes to concentration camps or Gulags. The state, held within democratic bounds by free citizens, is the indispensable instrument of human progress.

To embrace the former attribute of the state as a shortcut to the goals of the latter, as they define them, is the fatal temptation common to radicals of the left and right. It is an urge that Marxists-Leninists share with the apostles of Senator Helms and the self-designated Moral Majority, who crave to invoke central state power to legislate intolerance and to enforce their rigid view of appropriate patterns of private behavior.

To suppress and dismantle the benign functions of the latter by raising the specter of the former aspect of the state is the temptation of the political agents of private privilege. That is the apparent thrust of an Administration which has taken it as a mission to remove the federal presence from any substantial role save the raising of armies, and overseeing the detaxing, deregulating and unleashing of private business enterprise.

Business, thus unleashed, has responded with a general collapse, corporate cannibalism, and the fabrication of golden parachutes by and for the executives thus engaged. So much for the doctrine of risk as the grounds for gross rewards.

The definition of the proper bounds and uses of the constructive channels of state power is the central task of this era, here and abroad. The free trade union movement must and does accept its share of that common responsibility.

In Poland, the issue is posed in starkest relief today, and Solidarity, the free labor movement now underground, is the custodian of the struggle for its humane resolution. Hundreds have died and thousands rot in jail for their faith and courage in that cause.

From its birth, Solidarity has been enriched by the close support of intellectuals and students who organized chapters at their universities. That is a natural alliance, for the freedom to think, to speak and to write as one wills is inevitably linked to freedom of association, the essence of trade unionism, which fosters and defends those rights.

Academia's responsibility

Besides, those who dwell in academia and deal in ideas, exposition and argument should, like other workers, have some responsibility for and exposure to the consequences, wholesome or otherwise, of their endeavors.

John Maynard Keynes put it best when he wrote, in 1936, that:

> ". . . The ideas of economists and political philosophers, both when they are right and when they are wrong, are more powerful than is generally understood. Indeed, the world is ruled by little else. Practical men, who believe themselves to be quite exempt from any intellectual influences, are usually the slaves of some defunct economist. Madmen in authority, who hear voices in the air, are distilling their frenzy from some academic scribbler of a few years back."

The founders of this nation were certainly not immune from the ideas of "academic scribblers of a few years back." They derived from philosophy the notion of the existence of government as a badge of lost innocence and a constant threat to the natural rights of man. They wrote elaborate checks and balances into the Constitution, one of which—the requirement of a two-thirds vote in both houses of Congress to initiate an amendment—has just saved the country from an act of outrageous political folly.

They left us a system where the elected are constantly re-examined. The strength of this democracy does not lie in the notion that the people can't be wrong or that the voters always do the right or the wisest thing. If one believed that, he would quit the struggle after his first defeat.

Rather, the saving grace is that the process is self-correcting over time; there is always another chance, and no proposition can long escape the test of lively opposition.

These safeguards make us free to promote the benign uses of the state as an instrument of constructive ends. That pursuit is just as vital to our future as is constant vigilance against the dark side of authority. The trade union movement of America is equally committed both to steadfast resistance to the abuse of state power and the vigorous advocacy of democratic solutions to our national problems through political and legislative action.

Today, we have an Administration devoted to the attrition of the positive and the emphasis of the negative aspect of governance. The avowed aim is to "get government off our backs," and to turn civic responsibility over to private enterprise or to the various states. The old Pledge of Allegiance to "one nation, indivisible . . . with liberty and justice for all" is apparently subject to further amendment or qualification.

Nation's memory bank

Such a program must rely heavily upon the assumed exhaustion of the nation's collective memory bank, from which the delinquencies of the glorified past need to be from time to time recalled. Enduring free institutions such as trade unions and universities share a duty to maintain that memory bank and to draw upon it when these questions arise.

Let me do so briefly now and note what it was really like for many before the New Deal, when the federal presence was remote, when the states had every chance to address any problem, and what business wanted, business got.

Old folks were not universally sheltered in the bosom of a warm and loving family. If they couldn't work until they dropped, the county poorhouse awaited. Then, a federal social security system came along and tore those poorhouses down, liberating both young and old from dependency.

Regions of the country were stripped of trees, and gullied by erosion, until the Forest Service, the Soil Conservation Service and the Civilian Conservation Corps reforested and restored the land, for the ultimate benefit of private industry as well as society at large.

Most roads were unpaved and often impassable until a federal highway program developed the infrastructure on which the automobile and trucking industries depend.

Farmhouses were isolated and lit by kerosene until the federal REA electrified and humanized them, to the great advantage of the appliance industry.

Pellagra, hookworm, malaria and other diseases were endemic in much of the country, until the federal Public Health Service got the resources to eliminate them, to the vast improvement of our productivity and vitality as a nation.

Kirkland answers questions from members of a senior honor society.

That list of real national and human problems that were answered only when the federal government got "on our backs" could be extended at tedious length, but let it just be noted that while they profited handsomely from federal action, neither the states nor private industry rose to meet those occasions.

Over the years between then and now, democratic government has safely steered this nation through social revolutions that no other nation has managed peacefully or so well. From a not-too-distant day of local lynch law and a pattern of racial apartheid every bit as brutal as that of South Africa, we have approached the goal of full and equal rights and opportunities. The American people should be proud, rather than contemptuous, of the role of their government in that achievement.

Rise of free unions

In those same years, the rise of free trade unionism has effected another quiet but profound revolution, one that has enhanced—in ways perhaps unrecognized—the lives of all of you here. The students of this college may well be part of the first generation in the history of man on earth for whom the necessity of working for somebody else will occupy the lesser part of your total lifespan.

I do not mean to scorn the work ethic or to suggest that it has waned. But let us not glorify it unduly. As a friend of mine in the Caribbean trade union movement once put it: "If hard work were really such a great thing, the rich would have kept it all to themselves."

Largely through trade union collective bargaining and legislative endeavors, working hours have been reduced, paid leisure time gained and expanded, family incomes raised, educational opportunities broadened, and earlier pensions gained. As a consequence, the average age of entry into the workforce has been delayed significantly and the time of voluntary exit advanced.

The evolution of trade unionism in my lifetime has brought about the democratization of privilege—that is to say, of education, leisure, travel, good health care and housing, and other advantages for centuries reserved to the few—to an extent previously unknown in history. That process, in turn, has created new industries, services, markets and opportunities for enterprise.

Unquestionable advances

Can anyone reasonably hold that these advances, these revolutions of our time, have impaired rather than enhanced the capacity of man and woman to stand free and independent before the state or any other stronghold of power?

These are no mean achievements. They ought not to be undone.

This is no time for retreat from the struggle for human betterment. Urgent new challenges and tasks await the prudent and measured invocation of the federal instrument.

Equal rights for women, especially those now so rapidly swelling the workforce, is a goal whose time is long past due.

Concerted attention to the decaying infrastructure that supports our economic and community life must be organized and applied. Must active national concern await a string of tragedies? Must rotten bridges collapse under loaded school buses before work can begin?

If we are to preserve a measure of independence from coercion by foreign cartels and offer our youth brighter prospects than employment in the servicing of Atari games or the dispensing of junk food, the broad industrial base of this country must be reconstructed and modernized. That task must call for the cooperation of labor, management and government in the development and execution of a sound national industrial policy.

If I have talked a little treason here, excuse me, but it goes with my territory.

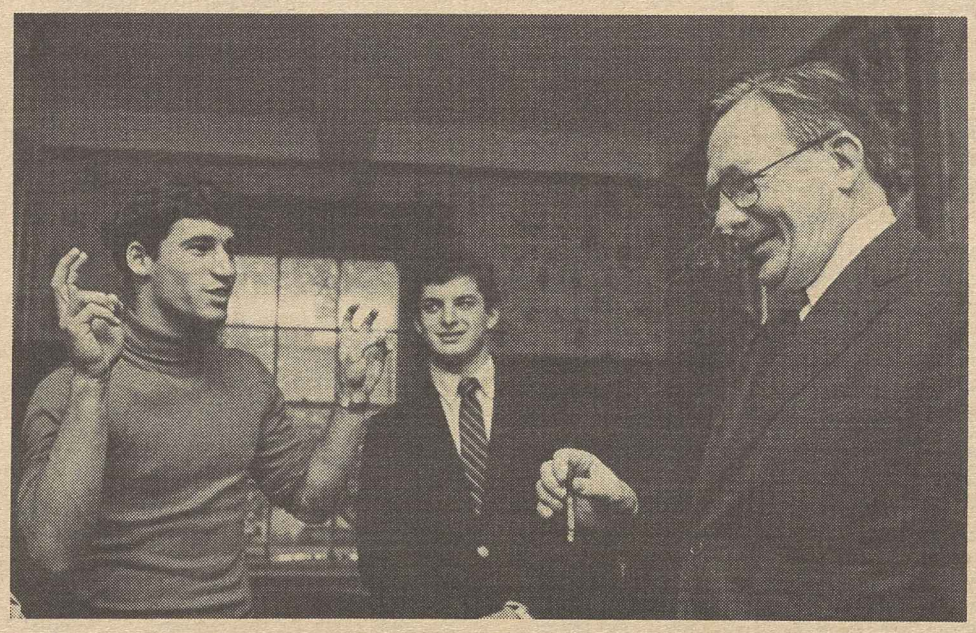
Labor's pursuits

Before I leave you in peace, let me address a canard that has dogged American labor for many years. It has found its way into textbooks, learned papers and baser prose, and may be no stranger here. That is the legend that our founder, Samuel Gompers, when asked what labor wanted, responded simply: "More." That has become a synonym for our alleged innocence of ideals, if not unbridled avarice, in the accepted wisdom.

A university group from the University of Maryland recently completed the task of copying and indexing all of Gompers' recorded papers and works. I asked them to find that quote and was informed that it did not exist. The only source from which it could have been derived was an item dated 1893, when Gompers declared:

> "What does labor want? . . . We want more schoolhouses and less jails; more books and less arsenals; more learning and less vice; more constant work and less crime; more leisure and less greed; more justice and less revenge . . ."

On that, I am willing to stand.



Body language helps a student make his point.

EDITORIALS

'Solidarity Is Alive!'

SO CHANT thousands of striking workers in the Lenin shipyards at Gdansk, where Solidarity was born. And so much for Gen. Jaruzelski's "normalizing" of Poland with docile, factory-based union substitutes. The coffin is empty, and the communist pallbearers confront a secular resurrection.

Solidarity is kept alive by the forces that created it: abiding discontent with a bankrupt system, a frustrated nationalism and identification with the Catholic Church. Poland won't know social peace until Soviet and Polish communists come to terms with these indigenous sources of unrest.

When he imposed martial law 10 months ago, Gen. Jaruzelski pretended that Solidarity was only "suspended" and its leader, Lech Walesa, merely "detained." He must have reckoned that Poles would weary of crisis and that the rest of the world would lose its fascination with the first genuine workers' rebellion in a Soviet-style workers' state.

He guessed wrong about Poland. It is still bankrupt and still boiling with protest. Once again taking his putschist orders from Moscow, the general had to give legal color to the cancellation of his state's many solemn obligations to Solidarity. Only on one count could he claim some success: the Western response has been faint-hearted and ill-coordinated.

IN AN OVERHEARD aside, President Reagan called Solidarity's persecutors "a bunch of lousy bums." But they are also a bunch of bankrupt debtors. They owe the West nearly $30 billion, yet claim to be independent, unaccountable to world opinion and free to disregard even their own socialist norms of conduct. To respond, as Mr. Reagan also did, with another token trade sanction, is pathetic; depriving the dwindled Polish imports of equitable tariffs will affect nothing.

The need for a firmer response should be obvious. The Polish suppression is wrecking the foundations of East-West stability in Europe. Human rights and commercial arrangements alike are being sacrificed to a barren ideology. Yet Western bankers, fearing an accounting crisis, intend to go right on subsidizing these hollow policies. And timid Western leaders refuse to chase the banks from the diplomatic field. They should be nationalizing the Polish debt and talking tough strategic terms to Moscow and its strapped European confederates.

Though outlawed and hounded, Solidarity's strikers are still able to synchronize some protest. Solidarity's foreign well-wishers communicate only disarray.

—Editorial in the New York Times, Oct. 12, 1982.

A Message from Midland

THE DISTINCTION between recession and depression continues to diminish as the unemployment rate moves into double digits.

Plant closings continue. Hardly a day passes without new waves of layoffs. The lines of the jobless lengthen, even though the government stops counting the discarded workers who have given up looking for non-existent jobs. They are no longer part of the workforce—because there is no work for them.

The safety nets that kept past recessions from developing into recessions are badly frayed.

Yet the Republican National Committee mocks us with its expensive television commercials calling on Americans to "Stay the Course," to stick with the President's program until somehow, sometime, it will start working.

When President Reagan addresses the nation on the state of the economy, he can come up with nothing better than that same message.

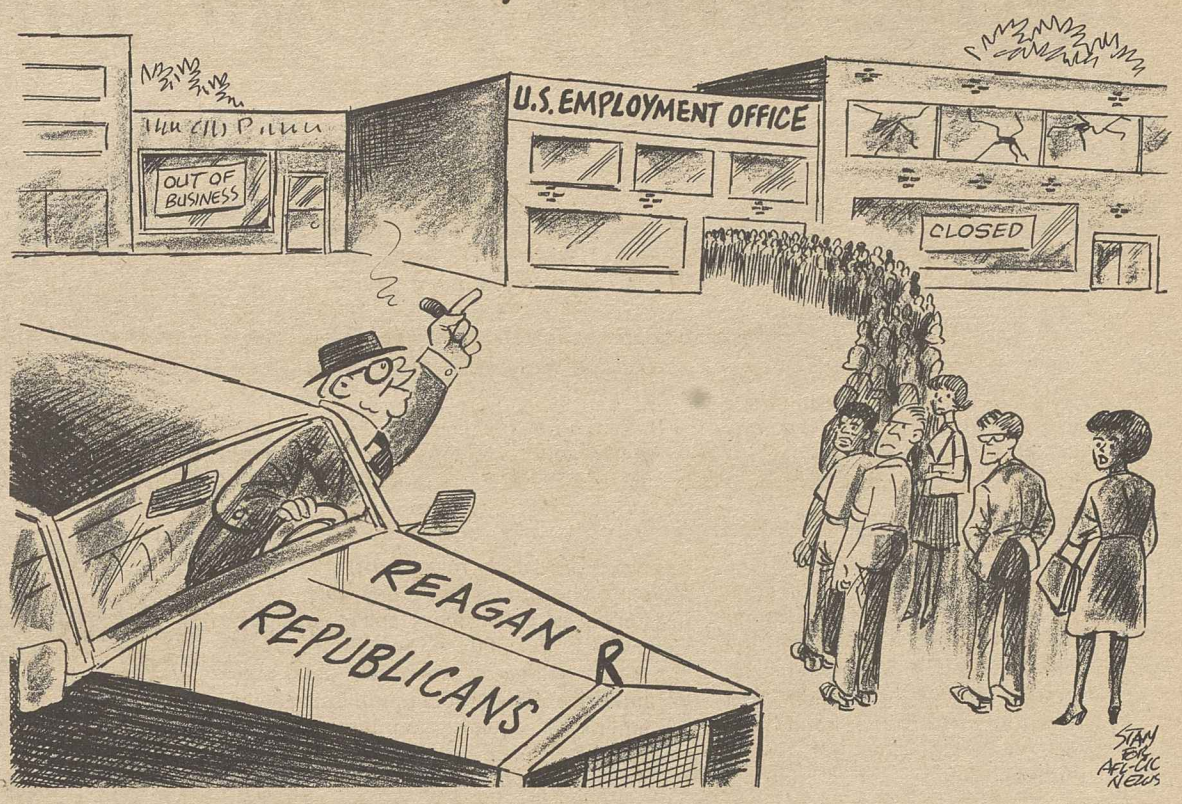
The President praised the "quiet, patient courage" of America's jobless.

But patience is running out in communities like Midland, Pa., where even as the President spoke the steel mill that was the area's principal employer was completing its closedown.

The message from the Midlands of America is not "stay the course."

It is "change the course."

'Stay the Course!'



Washington Window

Child food program cuts add to burdens on needy

By Press Associates, Inc.

It should be obvious by now that the Reagan Administration will use any excuse to eliminate child nutrition programs as a national responsibility, however illogical, false or cruel.

The latest outrageous example comes from the Food & Nutrition Service of the Agriculture Dept. Among the agency's budget-cutting ideas for next year is a proposal to index the cost of reduced-price school lunches so "near-poor children bear a fair share of inflation."

And more money could be saved, the FNS said, by eliminating meal subsidies for orphaned, abandoned, mentally retarded or handicapped children in residential institutions. The agency also again proposed ending summer lunches for 900,000 poor and near-poor children.

The Administration's moves against child nutrition began soon after it took office in 1981. The attack escalated when nutrition programs were tentatively targeted to be turned back to the states as part of President Reagan's "New Federalism."

However, Congress rejected the worst of the budget-cut proposals. And, just before the current election recess, the House passed a resolution with strong bipartisan support opposing any turnover to the states. A similar resolution, offered by Senators Robert Dole (R-Kan.) and Patrick Leahy (D-Vt.), is pending in the Senate.

Administration sabotage

At a House Education & Labor subcommittee hearing on the resolution, experts sharply criticized the Administration's apparent desire to sabotage child nutrition programs — either through severe budget cuts, giving them to the states or weakening nutritional standards.

Dr. Julius Richmond, a professor of health policy at the Harvard Medical School, told the House panel that school lunch and breakfast, summer lunch, women's, infants and feeding, child care food and food stamp programs represent a "small investment in our future citizens."

Richmond, a former U.S. Surgeon General, pointed out that the programs' costs are small compared with the long-term, preventive benefits, like fewer low-birthweight babies, infant deaths and permanent learning disabilities. He cited a study which estimated that the program's success in reducing newborn intensive care produced savings in the first year alone three times greater than the cost of the program.

Dr. Alvin Maurer of the American Academy of Pediatricians stressed that poverty is the "single greatest factor" leading to malnutrition in North America."

"These programs aid the most vulnerable of society during the critical development period," Maurer said, preventing "permanent adverse effects" of malnutrition and undernutrition, such as stunted growth and intellectual malfunctions.

Costly consequence

The costs are "nominal compared to the otherwise tragic, incalculable costs" of poor nutrition, he said.

Other witnesses told the panel that states cannot run the programs more efficiently, as the Administration claims. States also will not or are not able to pick up the tab for the programs, they said.

Gene White, representing the American School Food Service Association, said she would "seriously question" whether any state could afford to pay for child nutrition programs.

White, who directs California's Child Nutrition Service, pointed to last year's budget cuts of $1.5 billion in child nutrition as an example. Not one state moved to pick up the slack, she said, and 1,500 schools dropped the school lunch program, affecting more than 3 million children.

AFL-CIO news

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Thomas R. Donahue, *Secretary-Treasurer*

Executive Council

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* deceased

MEMO FROM COPE

Whole Page of 'One Vote Counts'

Do you get the message?

(Wherein it is demonstrated with convincing evidence that those who gripe that one-vote-doesn't-count-so-why-bother are grievously in error.)

Those Who Run for President Know It

Presidential candidates know that one vote counts.

James Garfield won the presidency over Winfield Hancock in 1880 by a margin of only 1,898 out of 9,210,420 votes cast.

In 1960, John F. Kennedy topped Richard Nixon by less than one vote per precinct nationwide.

Nixon turned it around in 1968 when he beat Hubert Humphrey by fewer than 350,000 votes out of more than 73 million votes cast.

Though Jimmy Carter won the popular balloting in 1976 with 51.8 percent of the vote, a switch of fewer than 10,000 votes in just two states—Ohio and Hawaii—would have given Gerald Ford a 270-268 electoral vote victory and the presidency.

...And Those Who Run for the Senate Know It

This is the story of the longest permanent floating Senate election in recent times—an election that was finally settled 11 months after it took place . . . by a second election.

In November 1974, John Durkin (D) lost the New Hampshire U.S. Senate race to Louis Wyman by fewer than 600 votes out of more than 220,000 votes cast.

Or so he thought. But he demanded a recount, anyway.

Out of the total 221,838 votes recounted, Durkin wound up on the happy side of a 110,924 to 110,914 count. He had won by 10 votes. Or so he thought.

After mulling it, Wyman decided to appeal the recount to the state ballot law commission.

The commission disqualified a few ballots here and a few ballots there, and Wyman was declared the winner by two votes. Or so *he* thought.

Durkin brought the whole mess before the U.S. Senate itself. The Constitution says the Senate is the final judge of who shall sit in it.

The Senate Rules Committee diddled around for months, couldn't break tie votes on key questions and on challenged ballots.

In August 1975, Durkin gave up in disgust, asked the Senate to send the question back to New Hampshire. The Senate did.

Nearly 11 months after the first Wyman-Durkin confrontation, New Hampshire voters went to the polls once more. This time, Durkin won big—by 27,000 votes. But he had learned the lesson: One vote counts!

And Those Who Run for the House Know It

South Dakota See-Saw

It was a see-saw election for Congress in South Dakota in 1978, pitting Democrat Tom Daschle against Republican Leo Thorsness.

The election night results gave Thorsness the House seat by just six votes. An official canvass then turned it around, putting Daschle out front 64,661 to 64,641—20 votes out of 129,302 votes cast.

Thorsness called for a recount. Final result: Daschle by 105 votes.

Call Me 'Close-Call Paul'

To Rep. Ron Paul of Texas, a landslide is the 5,645-vote margin that re-elected him in 1980 out of 207,887 votes cast. He was already known as "Close-Call Paul" even before that.

He first won his congressional seat in a special election in April 1976 over Bob Gammage. The following November, Gammage turned the tables, beating Paul by 236 out of 193,000 votes cast. Two years later, Paul won back the seat by only 1,056 out of 107,436 votes cast.

So, adding it all up (not counting the special election) three elections in which Paul was a candidate were settled by an aggregate 6,937 votes out of 608,423 votes cast.

Then There's 'No-Flab Ab'

There was no flab in Abner Mikva's U.S. House race victories, either.

In 1978, he won re-election with an edge of only 1,241 out of 177,795 votes cast, following up his 1976 victory of just 201 votes out of a 213,407 total.

Thus, in two elections, Mikva won by a combined total of only 1,442 out of 391,302 votes cast.

And a Whole Lot of Folks You Never Even Heard of Know It

Heart By-Pass, Vote By-Pass

Frank Wageman of Manchester, N.H., was hospitalized for heart by-pass surgery on primary election day in 1980. He had neglected to file his absentee ballot in the race for GOP state senate nomination.

The balloting wound up in a tie, 2,438 votes for each candidate. The challenger was Eleanor Podles. The incumbent? State Sen. Frank Wageman. (Follow-up: Wageman lost the recount by seven votes.)

One Roll Counts!

A roll of the dice settled a Democratic primary election for district attorney in Virginia City, Nev., in 1978.

At first count, Marshall Bouvier beat Leonard Howard by two votes. A recount made Howard the winner by three, but a judge then invalidated five ballots, four of them Howard's, one Bouvier's, creating a tie.

It was decided the candidates would have a roll-out with dice. Bouvier cast a five. Howard went him one better with a six. (One dot, like one vote counts.) In the end, all the counting, recounting, etc. didn't do Howard much good. He lost the general election . . . by just 38 votes.

Holy Foul-up

Good old Batman . . . he really loused up a city commission election in Gainesville, Ga. Someone wrote in Batman's name rather than vote for either of the listed candidates, who were left stuck in a tie at 674 votes each. Two months after the election, they were still tied. The city never had a tie before and had no provision for a run-off. The *Memo* never found out how it was settled. Moral: Don't fool with Batman . . . and don't vote for him, either.

Wanna Fight?

November 1980. New Mexico. A 2,436-2,436 tie for the state legislature between Richard Minzner (D), C. A. Bowerman (R). Elections officials wanted to decide it by the flip of a coin. The candidates balked. Someone suggested duelling. Bowerman nixed it, said "I'm too big a target." Bowerman said let's wrestle. Minzner said "I'm too small." They agreed on a single hand of five-card poker. But it never took place. A recount made Minzner the winner by 16 votes.

A Trio of One-Voters

In 1964, Julius Lippman of New Hyde Park, N.Y., was elected judge of the Third District Court by exactly one vote out of 106,641 votes cast. His tally was 53,371 to his opponent's 53,370.

In 1976, Lawrence Merman was elected judge of the Monroe County (Mich.) probate court by exactly one vote—13,228-13,227. That figures out to a winning percentage of 50.001890001.

In 1979, Jack McLaughlin was elected to the Havre de Grace (Md.) city council over Wardell Stansbury, 595-592. But when all absentee ballots were counted, it slimmed down to a one-vote victory on the button. McLaughlin picked up eight absentee votes, his opponent 10. Final result: 603-602.

The Perils of Andrew Slivka

A flip of the coin more than a month after the Nov. 3, 1981, election finally settled the Garfield Heights (Ohio) race for municipal judge in favor of Andrew Slivka over James Shipan. Until the climactic flip, through counts and recounts and re-recounts, Slivka had been declared the winner twice, Shipan once, and twice the contest had been called a tie.

Going all the way back to the Nov. 3 election, Shipan had been named the winner. Six days later, the election board declared a tie. Next, the official count made Slivka the winner by one vote after uncounted ballots were found in the board's computer room.

A subsequent recount by hand turned up a tie again. Another recount, which included 11 ballots incorrectly punched by voters, wound up with Slivka the winner 11,654-11,653—one vote.

Finally, election board workers discovered they had counted one of Slivka's votes twice, so it was all tied up again at 11,653 each.

At that point, they all threw up their hands and decided to let a coin flip settle it.

And Now You Know It . . . One Vote Counts

On Election Day . . . Use Yours!

AFL-CIO news

SATURDAY
OCTOBER 23, 1982
VOL. 27, NO. 42

Leaflet day opens drive for heavy voter turnout

Baltimore workers get handshake from AFL-CIO President Kirkland, COPE leaflet from Mrs. Kirkland, warm welcome from Sen. Paul Sarbanes and Representatives Parren Mitchell and Barbara J. Mikulski.

Labor takes message to plant gates

The AFL-CIO and its affiliates launched labor's get-out-the-vote campaign Oct. 19 with a nationwide leaflet day that began with early morning plant gate distributions and concluded with rallies and marches.

Its message was that the election of labor-endorsed candidates on Nov. 2 can "turn around" the Reagan Recession and get Americans back to work.

"The Number One issue in the Nov. 2 election is jobs. . . ."

That's what it said on the leaflets that AFL-CIO President Lane Kirkland and his wife, Irena, were passing out at 6:30 a.m. to the shift coming to work at a Baltimore factory.

It was the message Food & Commercial Workers President William H. Wynn carried on his early morning leaflet assignment at a Columbus, Ohio, warehouse.

Seafarers President Frank Drozak was at the first of six Delaware locations he would cover that day; AFL-CIO Sec.-Treas. Thomas R. Donahue was spreading labor's message in New England.

In Pennsylvania, State, County & Municipal Employees President Gerald McEntee began the day passing out leaflets at a state government building in Harrisburg, while Steelworkers President Lloyd McBride was working plant gates and an employment office in Carnegie. Later they would come together for a rally near USWA headquarters in Pittsburgh.

Wide coverage

In Oregon, Machinists President William W. Winpisinger covered five cities. And Auto Workers President Douglas A. Fraser began the day leafleting a Bendix plant in South Bend, Ind., and ended it at an Indianapolis rally.

Railway & Airline Clerks President Richard I. Kilroy handbilled in Omaha, Neb.; Paperworkers President Wayne Glenn was at a Tennessee pulp and paper plant.

Chemical Workers President Frank Martino was in Nevada with one group of labor-endorsed candidates, while Ken-

Continued on Page 2

New job loss seen likely as economy sags

Unemployment is likely to increase in the months ahead because of the sharp slowdown in the rate of economic growth from the second to the third quarter of 1982, the AFL-CIO warned.

Real gross national product, or the inflation-adjusted value of the nation's total output of goods and services, grew at an anemic annual rate of eight-tenths of 1 percent in the July-September quarter, a marked contrast to the minor growth rate of 2.1 percent in the previous quarter, the Commerce Dept. reported.

Henry Schechter, AFL-CIO deputy director of economic research, said real GNP must grow at a 3 percent annual rate to hold the unemployment rate even.

"A 3-percent rate is needed just to accommodate new job seekers in the market without touching the millions of individuals who have been seeking work for many weeks and months," Schechter pointed out.

'True' joblessness 14.5%

Official joblessness hit a post-Depression high of 10.1 percent last month. The AFL-CIO estimates that "true" unemployment is 14.5 percent, or 16.3-million jobless persons, including the 1.6 million who have given up looking for jobs and one-half of the 6.6 million forced to work part-time because full-time jobs were not available.

Schechter said the slowdown in real GNP growth in the July-September quarter was "marked by continuing decreases in business investment and casts doubt on President Reagan's claim that a meaningful economic recovery has begun."

Schechter said the slow growth in real GNP and the high September unemployment level make the Reagan Administration claims no more valid than they were in late 1981 and early 1982 when Treasury Sec. Donald Regan first began to tout "recovery."

Real GNP dropped 5.1 percent in the first three months of this year, following a 5.3 percent drop in the fourth quarter of 1981.

Jobs outlook grim

The Commerce Dept. report on economic growth followed other depressing news pointing up the fragility of the recession-wracked economy, and predictions by a group of leading economists that unemployment will rise in the next few months, perhaps as high as 11 percent.

"There is no economic recovery at this stage," Donald Ratajczak, director of the

Continued on Page 8

Risk to social security

Reagan stand on funds threatens benefit cuts

President Reagan's "adamant" opposition to increasing the social security system's revenues threatens reductions in benefits to America's elderly and disabled, AFL-CIO Social Security Director Bert Seidman warned.

Seidman termed recent White House statements on social security funding a reflection of the "callous approach" of Council of Economic Advisers Chairman Martin Feldstein.

In a "working paper" written shortly before his appointment as the President's chief economist in August, Feldstein viewed the social security system as a drain on the economy. He found it useful only as a source of retirement income "for those who lacked the foresight to provide for themselves."

This harsh assessment was the conclusion of a paper titled "The Welfare Cost of Social Security's Impact on Private Savings," which Feldstein wrote for the National Bureau of Economic Research, which he headed at the time.

In a companion paper in the series, he strongly suggested keying social security benefits to need, through a means test, instead of continuing it as an earned entitlement.

In considering "how the level of social security benefits should be changed in response to temporary changes in the rates of growth and productivity," Feldstein suggested "it would be good to relax the assumption that benefits are to be provided uniformly and without reference to accumulated assets." He proposed considering "the appropriate role for means-tested benefits" as among the options.

More bluntly, in an earlier interview with U.S. News & World Report, Feldstein said President Reagan "can help himself by working up the courage to cut spending on entitlement programs, such as social security."

Revenue hike rejected

In an Oct. 18 appearance on CBS television's Face the Nation program, White House Counselor Edwin Meese said President Reagan is "adamantly against increasing social security taxes."

The Administration had earlier rejected using general revenues to supplement the payroll tax—the course advocated by the AFL-CIO—and Meese was asked about Reagan's views on scaling back future social security benefits.

Continued on Page 8

IUD presses national policy to revitalize U.S. industry

Detroit—The AFL-CIO Industrial Union Dept. called for a tripartite labor-business-government effort to establish a national industrial policy that would revitalize America's deteriorating manufacturing base.

A resolution adopted by delegates to the IUD's 15th biennial convention warned that "America's future as an industrial power is in danger," citing these ominous trends:

- In the past 20 years, America's share of the world market for manufactured goods has shrunk from one-quarter to less than one-sixth.
- Over the same period, the U.S. share of its own domestic market has fallen from 95 percent to 65 percent. In the auto industry, for example, the United States has lost 35 percent of its own market at a cost of 900,000 jobs. In steel, 22 percent of the U.S. domestic market—representing another 150,000 jobs—has been lost to foreign manufacturers.
- Between 1950 and 1980, workers in manufacturing dropped from 34 percent of the workforce to 21 percent.

IUD President Howard D. Samuel outlined the department's recommendations for developing a national industrial policy in his keynote address to the convention He said the "virus of decline" that has afflicted industries such as auto, steel, shoes, rubber, glass and many other older

Continued on Page 3

Job toll mounts

Joblessness rose in every state but one between August 1981 and August 1982, reaching the highest levels in Michigan, 14.5 percent, and Alabama, 14.2 percent, the Bureau of Labor Statistics reported. The only state where the jobless rate did not rise during the period was South Dakota, where it was essentially unchanged.

Of 221 reporting metropolitan areas for which data were available, 98 had unemployment rates that equaled or exceeded the national average. Youngstown, Ohio, with a rate of 20.9 percent, had the highest.

The data reflect "unadjusted" figures that do not take into account seasonal factors.

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10/23/82

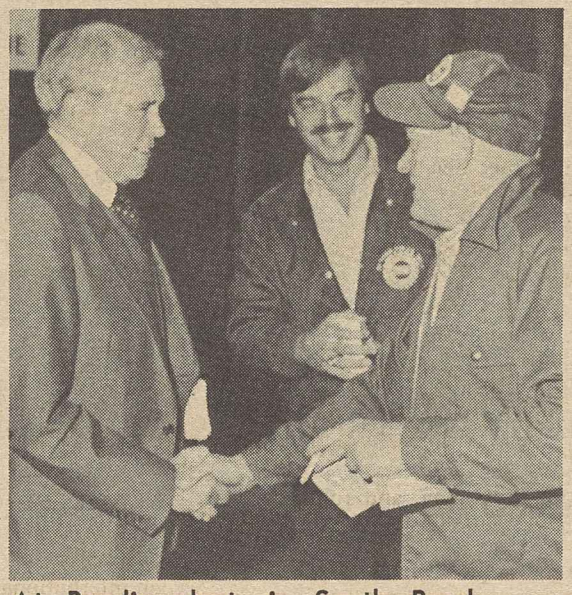
Rallying the voters

AFL-CIO's Leaflet Day found top union leaders at job sites in cities throughout the country pushing labor's message of Election Day support for COPE-endorsed candidates. The theme was to send a message on Nov. 2 that America's workers want to change a Reagan Administration course that has led to depression levels of unemployment, plant closings, bankruptcies and mortgage foreclosures.

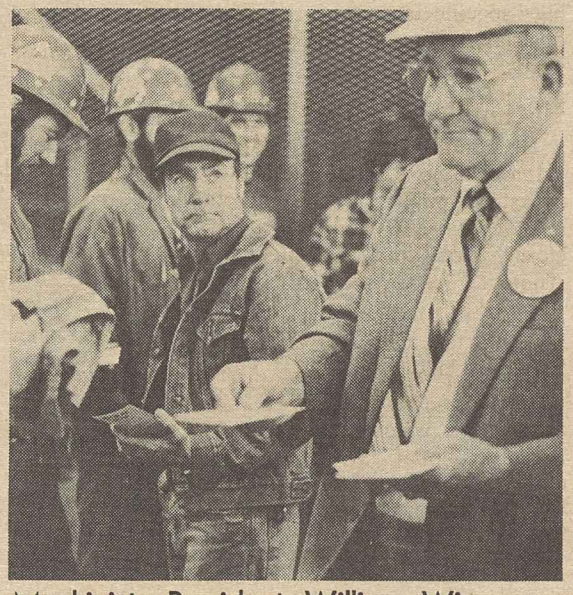
At Silver Spring, Md., outside a Heidi bakery, BCTW President John DeConcini addresses a Leaflet Day rally. Former Vice President Mondale was on hand to join in urging the re-election of Sen. Paul Sarbanes and Rep. Michael D. Barnes.

At Carnegie, Pa., plant of Teledyne Corp., Steelworkers President Lloyd McBride and Rep. Doug Walgren greet workers.

Service Employees Sec.-Treas. Richard Cordtz distributes leaflets in Detroit with congressional candidate Sander Levin.



At Bendix plant, in South Bend, Ind., UAW President Douglas Fraser boosts labor-backed candidates.



Machinists President William Winpisinger handbills workers in Oregon during long day of campaigning.

Health cost curb plan wins support

A labor-supported plan to stem the rise in health care costs so as to preserve medical services threatened by budget cutbacks picked up support on Capitol Hill, setting the stage for a major legislative effort in the new Congress.

Shortly before Congress adjourned, Rep. Charles B. Rangel (D-N.Y.) organized a well-attended briefing for his colleagues on the two-phase program drafted by the Health Security Action Council.

The new plan, dubbed HALT, steers away from some of the more controversial elements of earlier health security proposals and concentrates on cost containment for both the public and private health care sectors.

HALT's initials stand for Health Action to Limit Takeaways, a reference to the cutbacks in Medicaid, Medicare and other government-funded health services over the past two years.

Missionary effort

The Health Security Action Council, which is headed by Auto Workers President Douglas A. Fraser, drew up the outlines of the plan earlier this year, and the briefing session marked the start of the missionary effort being undertaken to gain congressional sponsors.

Council Director Melvin A. Glasser was joined by Harvard Medical School Prof. Rashi Fein and James Moorfield, president of the Health Insurance Association of America, in the briefing.

Rangel recited the concerns that brought representatives of some 50 congressional offices to the briefing.

"Over a million people have been cut from Medicaid," he said. And some 11 million U.S. workers "have lost their jobs and the health insurance that go with them."

While Congress has cut federal funding for health care block grants to the states by 20 percent, Rangel noted that it has yet "to pass a law forbidding people from becoming ill when they don't have the resources to pay for care."

Another concern is the high cost of medical care. Doctors' and hospital fees have been among the fastest-rising components of the government's consumer price index.

The HALT plan outlined at the briefing would be implemented in two phases.

Price curb

The first step would be a curb on permissible price increases for hospital and nursing home care, outpatient services and physician charges. These increases would be for the most part limited to a cost index formula.

After two years of relative price stability, the second phase would stress pre-budgeting of hospital and health provider costs, under federal guidelines administered by state agencies.

Sponsors of the HALT plan readily acknowledged that it does not meet the full need for assuring that quality health services will be available to millions without such protection. Nor will it help the elderly pay for the prescription drugs they need.

Its goal is more limited—and more immediately achievable, they pointed out.

First step

The AFL-CIO took part in the shaping of the proposals, and Sec.-Treas. Thomas R. Donahue holds the same post in the Health Security Action Council.

Donahue said when the HALT proposal was first unveiled that "the AFL-CIO remains convinced that the only way to assure all Americans access to quality health care they can afford is through the enactment of universal, comprehensive national health insurance."

But the federation is pressing for immediate adoption of the more limited program because the Reagan Administration alternative "would diminish already inadequate health care protection" for millions of Americans, Donahue said.

Wholesale index dips as recession dampens demand

Prices at the wholesale level fell a seasonally adjusted one-tenth of 1 percent in September after increasing six-tenths of 1 percent in July and August.

While the decline in prices was welcomed for its likely impact on the inflation rate, the drop stemmed largely from the ongoing Reagan Recession which has put millions out of work and dampened demand.

About two-thirds of the slowdown in the government's producer price index for finished goods was caused by discounts on slow-selling 1982 model cars and trucks, the Bureau of Labor Statistics said.

Also contributing to the decline were reduced food prices and smaller increases in energy prices. Capital equipment prices fell four-tenths of 1 percent after rising seven-tenths of 1 percent in August.

Labor launches drive to turn out heavy vote

Continued from Page 1

neth Young, executive assistant to Kirkland, covered an industrial complex with another group.

Bakery & Confectionery Workers President John DeConcini and Firemen & Oilers President George Francisco covered Maryland and Virgina areas. Office & Professional Employees President John Kelly handbilled members in New Haven.

Top officers and executive board members of these and many other unions were at garment shops in New York state, rubber plants in Ohio and New Jersey, farm equipment plants in Illinois at plants and shops in Texas, Alabama, Missouri, North Dakota, California, Utah, Idaho, Massachusetts, Illinois, Minnesota . . . a long and incomplete list constantly being updated as reports from across the country reached the AFL-CIO News.

The COPE leaflets carried the names of the endorsed candidates in the area and a "damage report" on the Reagan recession in terms of unemployment, business failures and mortgage foreclosures.

"Workers are hurting. The needy are hurting. The nation is hurting," the leaflets read.

In most of the locations, no reminder was needed. Those still working were the survivors.

At the Koppers Co. plant in Baltimore, where Kirkland began his day, a sign in the employment offices tells jobs seekers: "Due to present economic situation, we are not and do not foresee taking any applications now or in the future."

The VIP handbilling was the symbolic start of the final two weeks of an election campaign in which labor's goal is to get the largest possible turnout of union members.

Thousands of union volunteers have been staffing phone banks; computer records have helped locate unemployed union members and retired members to be recruited for election assignments; personalized mailings have gone to the homes of members.

"Turn it around" is the message. "Vote Nov. 2."

IUD convention action

National policy pushed to revive U.S. industry

Continued from Page 1

industries is spreading into higher technology fields.

"We've lost much of the global market for aircraft, and our domination of the entire civilian aerospace field is seriously threatened," Samuel warned. "Even microchip manufacturers have begun to feel the impact of advanced models exported from Japan."

A strong industrial base in this country is essential to national defense, Samuel said. "If we have to rely on foreign producers, we increase our vulnerability and reduce our ability to mobilize and to replace depleted stocks in time of conflict," he told the delegates.

Samuel called for a two-pronged set of policies: making the federal government "a full partner in assuring economic growth and full employment" and targeting "specific incentives toward specific industrial sectors to meet their specific needs."

National industrial policy

He pointed out that the United States is "almost alone in its resistance to a national industrial policy. Free markets have in most countries been replaced by markets closely monitored and supported by government," he said.

The call for a national industrial policy also was taken up by AFL-CIO President Lane Kirkland.

"We are fighting for the full reindustrialization program that was spelled out in the National Accord reached with the Carter Administration, before the Reagan Administration came along to strangle it in the cradle," Kirkland told the delegates.

"The AFL-CIO does not and will not accept the proposition that there must be an inevitable decline in the manufacturing sector of our country," he said, adding:

"To rely on Japanese automobiles or Taiwanese television sets or Korean textiles is as great a piece of folly as relying on Arab oil or Liberian cargo ships."

Both Samuel and Kirkland attacked Reaganomics for leading the country into the deepest recession with the highest unemployment rates since the Great Depression. Atlanta Mayor Andrew Young, another speaker, joined them in calling for new policies to rebuild the U.S. economy.

The agenda of the convention was structured into four panel discussions by labor and political leaders on issues of main concern to the department:

- Rebuilding America's industrial base was discussed by Senators Bill Bradley (D-N.J.) and Don Riegle (D-Mich.); Lloyd McBride, president of the Steelworkers, and Glenn Watts, president of the Communications Workers.
- OSHA and environmental issues were addressed by Robert Goss, president of the Oil, Chemical & Atomic Workers; Malcolm Lovell, Under Secretary of Labor; Joseph Fontaine, past president of the Sierra Club and co-chair of the OSHA/Environmental Network, and J. C. Turner, president of the Operating Engineers.

A resolution on OSHA adopted by the convention castigated the Administration for "emasculating the act by reducing inspection staffs, exempting industries from inspections, curtailing enforcement, and wasting time, money, and human lives on efforts to revive dependence upon voluntary initiatives of the employers."

- A panel on bargaining in the 1980s included former Sec. of Labor Ray Marshall, now a professor at the University of Texas; Charles Pillard, president of the International Brotherhood of Electrical Workers; Jacob Sheinkman, secretary-treasurer of the Clothing & Textile Workers, and Don Ephlin, vice president of the Auto Workers.
- A panel on organizing developments consisted of IUD Sec.-Treas. Elmer Chatak; Joyce Miller, vice president of ACTWU and president of the Coalition of Labor Union Women, and John Sweeney, president of the Service Employees.

New techniques

Chatak discussed IUD's use of polling and video in its organizing.

In other activity, the delegates re-elected Samuel and Chatak to new two-year terms. They also approved a per capita tax increase from 5 cents to 6 cents per month and elected four new members to the Executive Council: James E. Hatfield, president of the Glass, Pottery, Plastics & Allied Workers; William Konyha, president of the Carpenters; William G. Lindner, president of the Transport Workers, and William W. Winpisinger, president of the Machinists.

Jobs at stake

America can't afford to lose its industrial base and the jobs it provides, AFL-CIO President Lane Kirkland stresses at Industrial Union Dept. convention. IUD President Howard D. Samuel is at left, Vice Presidents John J. Sweeney and J. C. Turner at right.

Missouri state convention elects new leadership team

St. Louis—Daniel J. McVey, secretary-treasurer of the Missouri AFL-CIO since 1978, was elected president over incumbent James E. Meyers as delegates to the state federation's 11th biennial convention voted to seat the entire McVey slate for four-year terms.

The other new top officers are Sec.-Treas. Robert A. Steinke, who is executive secretary of Newspaper Guild Local 47, and Vice President Emmett C. Meyer, an international representative of the Communications Workers.

The 25 candidates on McVey's ticket for the executive board were also elected.

On a weighted ballot basis, the 634 delegates gave McVey 89,700 votes to 74,500 for Meyers, who was seeking his second term as president. McVey comes out of Plumbers & Pipe Fitters Local 562 in St. Louis.

Recognizing the impact of their hard-fought campaigns on the delegates, McVey and Meyers joined in urging them to shift attention to the Nov. 2 elections with an all-out effort on behalf of labor-endorsed candidates.

The convention resoundingly reaffirmed support of Democrat Harriett Woods in her race to unseat incumbent Republican Sen. John C. Danforth. Woods won the Democratic primary with COPE endorsement.

A former officer of the St. Louis Newspaper Guild local, Woods has a 100-percent "right" labor voting record in the state legislature. Conversely, Danforth has a 29-percent "right" voting record in Congress, with only two "right" votes and 16 "wrong" votes on labor issues in the current session.

Woods and Sen. Thomas F. Eagleton (D-Mo.) stressed in addresses to the convention that labor must turn out the vote in next month's elections and lead the fight against unfair Reagan economic policies.

President Gerald W. McEntee of the State, County & Municipal Employees called on delegates to finish the fight begun on Solidarity Day 1981 by electing a Congress that will reverse the Reagan Administration's economic policies.

Union vote solidified

McEntee said the only good that has come out of President Reagan's flagrant favoritism toward the rich is that he "has regenerated popular indignation and solidified the labor union vote."

In major resolutions adopted at the three-day convention, delegates voiced their support of the boycott of Procter & Gamble soap products, effective safety standards for the grain industry, collective bargaining rights for public employees, and a national policy to rebuild the U.S. merchant fleet.

Delegates also voiced opposition to tuition tax credits and to employer demands for polygraph tests as a condition of employment.

Patrick Campbell to succeed Konyha as Carpenters' chief

William Konyha, president of the Carpenters since January 1980, will retire Oct. 31, and under provisions of the union's constitution, he will be succeeded by First Vice President Patrick J. Campbell.

Konyha, who is 67, assumed the presidency following the retirement of William Sidell and was elected to a five-year term at the union's 100th anniversary convention last year.

Konyha was elected to the AFL-CIO Executive Council in August 1980 and is a vice president of the Building & Construction Trades Dept.

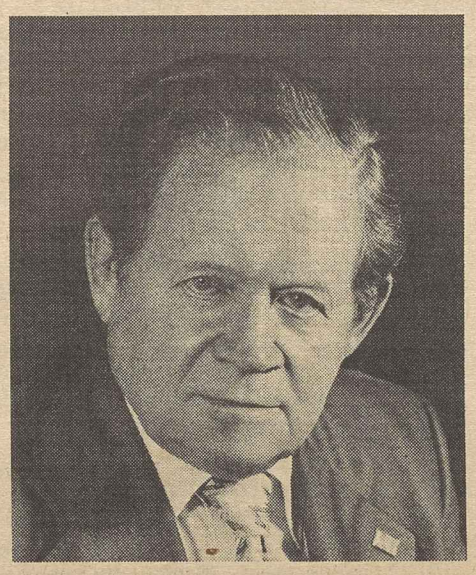
Campbell, 64, has served as first vice president since 1980. He has been a member of the Carpenters since 1945, joining Local 964 in Rockland County, N.Y., after his discharge from the Air Force. Campbell was president of the local in 1955 when he was appointed to the international organizing staff.

Campbell was named assistant to the Carpenters' president in 1966 and elected to the executive board three years later. He became second vice president of the union in 1974.

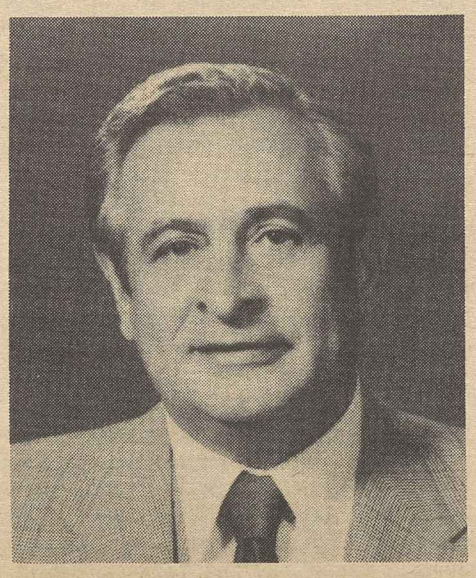
As part of his union activities, Campbell also served as president of the New York State Council of Carpenters and as a vice president of the New York State AFL-CIO.

Konyha has been a member of the Carpenters for 50 years, apprenticing with Cleveland Local 1180, which his father helped organize. He later served the local as an organizer and president.

Konyha also was president of the Ohio Council of Carpenters and a vice president of the Ohio AFL-CIO during the 1960s. He was elected to the Carpenters' executive board in 1970 and became second vice president two years later. He was elected first vice president of the union in 1974.



PATRICK J. CAMPBELL



MARVIN J. BOEDE

Marvin J. Boede new Plumbers, Pipefitters chief

The executive board of the Plumbers & Pipefitters has elected Marvin J. Boede president to fill the vacancy created by the death of Martin J. Ward on Oct. 9. The term expires at the end of 1986.

Boede, who is 54, has served as assistant president of the 352,000-member union since May 1977.

Boede began his apprenticeship as a steamfitter-pipefitter with Local 601 in Milwaukee in 1951. He earned his journeyman's card in 1956.

During the 1960s, Boede was a vice president and later business agent of Local 601. He also served as a training instructor for the local's night school program for seven years.

Boede later was president of the Wisconsin State Pipe Trades Association and chairman of the state steamfitters apprenticeship committee.

In 1975, Boede was appointed an international representative assigned to Michigan. Since becoming assistant president in 1977, he has been a delegate to AFL-CIO conventions as well as to conventions of the Building & Construction Trades Dept., Metal Trades Dept. and Industrial Union Dept.

Eastern states remain a vote-rich prize

By David L. Perlman

Some of the nation's most fiercely contested election battles this year are being fought in a 12-state eastern region that stretches from the northern tip of New England through the populous mid-Atlantic states. But nearly all the region's close contests would have to tilt in the same direction to change the political picture significantly.

The 12 eastern states are represented this year by 67 Democrats and 50 Republicans in the House, but the numbers will shrink as a result of reapportionment resulting from the 1980 census. Population shifts have taken five seats away from New York, two from Pennsylvania, and one each from Massachusetts and New Jersey. The post-election analysis is likely to give political honors in those states to the party that loses the fewest seats.

Eastern states have tended to elect liberal Democrats and moderate Republicans, and most of the incumbents seeking re-election to the Senate reflect that pattern. Sen. William V. Roth (R-Del.), co-author of the Kemp-Roth tax bill, is the only certifiable conservative among them. And while Roth is not on the endangered species list, his apparent lead does not put him out of the range of an upset.

3 GOP senators vulnerable

Six of the 13 Republican Senate seats at stake this year are in the East, and three are clearly vulnerable. Only one of the region's five Democratic senators seeking re-election is in a close contest.

Democrats hold six of the eight governorships to be filled on Nov. 2, a ratio that is not likely to be significantly changed by the election.

If there is indeed a Democratic tide, it could sweep away the Senate seats of Republicans Lowell P. Weicker, Jr. in Connecticut, John H. Chafee in Rhode Island and Robert T. Stafford in Vermont. It could also save the Senate seat of Democrat George J. Mitchell in Maine, who is locked in a close contest.

Weicker's independence of the Reagan Administration would normally assure him of a fair share of Democratic votes in Connecticut. But this year he faces an unusually strong Democratic challenger in Toby Moffett, who is giving up his House seat to run for the Senate.

Both Chafee and Stafford were early favorites, but it wouldn't take much of a political breeze to turn things around.

In Rhode Island, a vigorous campaign by labor-backed Julius C. Michaelson has put Chafee on the defensive in a strongly Democratic state that gave Reagan only 37 percent of its vote in 1980.

Vermont race close

Stafford won renomination in a three-way Republican primary in which two conservatives shared 54 percent of the vote. He now must overcome a vigorous Democratic challenger in James A. Guest. Another close one.

In Maine, Democrat George J. Mitchell is seeking his first full term in the Senate; he was appointed to the post in 1980 when Sen. Edmund S. Muskie resigned to become Secretary of State under President Carter.

Republican David F. Emery is giving up his House seat to run against Mitchell, and at first it appeared that he would have an easy time of it. But the Republican's big early lead in the polls kept dwindling, and by mid-October the candidates were even with the momentum apparently running towards Mitchell. It's an important election to the labor movement. On COPE's scorecard, Mitchell's key votes in the Senate have been 93 percent right. Emery's comparable grade on House votes is 38 percent.

Maryland Democrat Paul S. Sarbanes, seeking his second term, now appears clearly ahead despite the influx of right-wing money that financed anti-Sarbanes television commercials by the National Conservative Political Action Committee.

Right-wing target

Senate Democratic Leader Robert C. Byrd was also a target of negative advertising in West Virginia, but his defeat would be a stunning upset. And it is hard to conceive of weak Republican challengers beating either Edward M. Kennedy in Massachusetts or Daniel Patrick Moynihan in New York.

On the Republican side, COPE-endorsed John Heinz is a strong favorite in Pennsylvania over Democrat Cyril H. Wecht.

The one open seat, without an incumbent, is in New Jersey where Republican Nicholas F. Brady had a caretaker appointment to the seat opened by the resignation of Democrat Harrison A. Williams.

Millicent Fenwick, seeking to move from the House to the Senate at age 72, is a media favorite and moved into an early lead over Democrat Frank R. Lautenberg. She has bid for the votes of both critics and supporters of Reaganomics. In a recent debate, Fenwick was asked whether she agreed with the Reagan theme, "Stay the Course."

Her straight-faced reply: "Yes, we must stay the course, but with a change in direction."

In House contests, redistricting has brought match-ups of incumbents in two congressional districts in New York and one in Massachusetts.

Most of the suburban Boston, Fall River district in Massachusetts has been represented for eight terms by moderate Republican Margaret M. Heckler. But she has never had such a vigorous Democratic opponent as Barney Frank, seeking a second term, coupled with high unemployment and a heavy Democratic registration edge. It's down-to-the-wire.

Incumbents battle

New York's 22nd District matches two liberal incumbents—Democrat Peter A. Peyser and Republican Benjamin A. Gilman. But the 14th District, Staten Island and a piece of Brooklyn, pits the 91 percent right COPE record of Democrat Leo C. Zeferetti against the 27 percent score of Republican Guy V. Molinari, who now represents most of the district.

Open seats, without an incumbent, are traditionally most susceptible to turnover.

Seats vacated by Republicans that are strong possibilities for switches include Pennslylvania's 21st District, where liberal Marc L. Marks is retiring, the West Virginia district that Cleve Benedict gave up to run for the Senate, and the Maine seat of Republican senatorial candidate David Emery.

Connecticut Democrats are hoping to avoid the loss of the House seat of their senatorial candidate, Toby Moffett.

Among the more vulnerable Republican incumbents are Thomas B. Evans, Jr., in Delaware, Harold C. Hollenbeck and Matthew J. Rinaldo in New Jersey, Jim Coyne and Eugene V. Atkinson in Pennsylvania. Atkinson was elected as a Democrat two years ago, then switched parties.

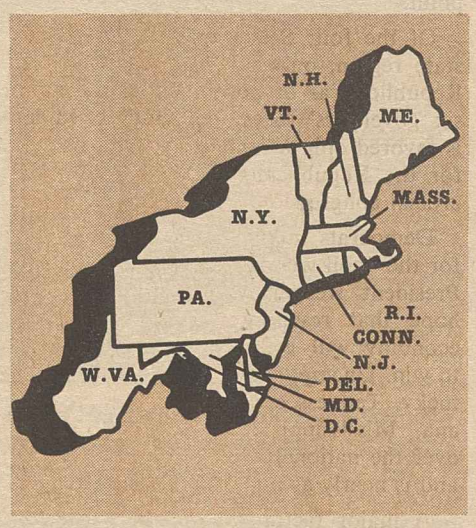
Ideological issues are often secondary in gubernatorial contests. But in New York, the matchup between liberal Democrat Mario M. Cuomo and Republican Lew Lehrman is a clear clash of opposites. Lehrman, both rich and well-financed by the radical right, is a far cry from the tradition of Nelson Rockefeller.

In Massachusetts, the big battle was in the Democratic primary where former Gov. Michael S. Dukakis reversed his loss of four years ago and beat the more conservative incumbent, Edward J. King. He's favored, but not a shoo-in, for election.

THE EAST

Seats up for election in each state

Checks denote Senate seats and Governorships to be filled; numbers indicate House races.



	Sen.	Gov.	House Seats
ME.	✓	✓	2
N.H.		✓	2
VT.	✓	✓	1
MASS.	✓	✓	11
R.I.	✓	✓	2
CONN.	✓	✓	6
N.Y.	✓	✓	34
PA.	✓	✓	23
N.J.	✓		14
DEL.	✓		1
MD.	✓	✓	8
D.C.			
W.VA.	✓		4

Outlook for Democrats brightens in Midwest

THE MIDWEST

Seats up for election in each state

Checks denote Senate seats and Governorships to be filled; numbers indicate House races.

	Sen.	Gov.	House Seats
OHIO	✓	✓	21
MICH.	✓	✓	18
IND.	✓		10
ILL.		✓	22
WIS.	✓	✓	9
MINN.	✓	✓	8
IOWA		✓	6
MO.	✓		9

A Democratic current is clearly discernible in this year's elections in an eight-state Midwest region that flirted with Reaganomics two years ago—and reaped a bitter harvest of closed plants and lengthened unemployment lines.

Illinois, Indiana, Iowa, Michigan, Minnesota, Missouri, Ohio and Wisconsin have been and remain two-party battlegrounds even though all have Republican governors.

The region's House delegation is evenly split—55 Democrats and 55 Republicans. Republicans have a 9-7 edge in Senate seats.

Reapportionment has whittled away seven congressional districts this year—two each in Illinois and Ohio, and single seats in Indiana, Michigan and Missouri. On balance, Republicans are the losers. Only Indiana's Republican legislature was able to tilt the reshaped districts to the GOP's advantage.

Each party has three Senate seats up this year, and here is where the change in political current has been most noticeable.

A year ago, Wisconsin's William Proxmire was the only Democrat conceded a clear edge in his re-election campaign. Ohio's Howard M. Metzenbaum, who squeaked through with 49.5 percent of the vote in 1976, and Michigan's Donald W. Riegle, Jr., were prime Republican targets. Both are now off the endangered list.

On the Republican side, meanwhile, re-election is no longer a sure thing for John C. Danforth in Missouri or David Durenberger in Minnesota. Only Richard C. Lugar of Indiana has retained a clear lead.

Most exciting has been the come-from-behind stretch drive of Democrat Harriett Woods in Missouri against the highly favored Danforth. Her issue-oriented approach and tireless campaigning have brought her up in the polls. And her supporters stir memories of another come-from-behind Missourian with T-shirts carrying the message, "Give 'em Hell, Harriett."

On the House side, redistricting has already ousted two Republican incumbents in Illinois, and at least two other seats appear vulnerable.

Redistricting

Paul Findley has only a 20 percent right COPE record during 11 terms in Congress, and redistricting gives a real chance to Democrat Richard J. Durbin.

There is also an open-district possibility in the Rock Island area that had long been represented by moderate Republican Tom Railsback. Railsback was beaten in the Republican primary by a New Right ideologue, Kenneth McMillan. Labor-supported Democrat Lane Evans is within striking distance in the campaign.

The other side of the coin was in Indiana, where redistricting eliminated one Democratic House seat and reshaped another district into a likely Republican stronghold. Two incumbents, Republican Joel Deckard and Democrat Philip R. Sharp, are in very close contests.

Missouri's redistricting matches two incumbents, Democrat Ike Skelton and Republican Wendell Bailey. The new district favors the Democrat. Another Republican incumbent in Missouri, Bill Emerson, is closely chased by Democrat Jerry Ford.

Redistricting squeezed out one Democratic and one Republican seat in Ohio. Democrat Bob Shamansky, who won an upset victory in 1980, is in a close match. But if the Democratic tide is running strong, Marcy Kaptur could oust Republican incumbent Ed Weber in Toledo.

Running scared

Some other vulnerable Republicans: Cooper Evans in Iowa, with a more Democratic district; Jim Dunn in Michigan, facing a rematch with former congressman Bob Carr who can win if Democrats turn out at the polls; Arlen Erdahl and Arlan Stangeland, both running very scared in Minnesota.

Gubernatorial contestants often remain aloof from national issues, but Michigan poses a clear liberal-conservative clash in which Democrat James J. Blanchard is a clear favorite over right-wing Republican Richard H. Headlee. Moderate Republican William G. Milliken is retiring after three terms.

Democrats also have strong chances of replacing Republican governors in Minnesota, with former Gov. Rudy Perpich; in Ohio, with Richard F. Celeste, who came close four years ago, and in Wisconsin, with Anthony S. Earl.

In Illinois, former U.S. Sen. Adlai E. Stevenson III is trying to regain an early lead over incumbent Republican James R. Thompson. And Democrat Roxanne Conlin in Iowa is still very much in the race against Republican Lt. Gov. Terry Branstad. Republican Robert Ray is stepping down after five terms.

The political map is changing.

Rising joblessness creates key test of conservative strength in South

By James M. Shevis

Well-heeled Republicans in the southern and border states are betting they will hold their own in the 1982 elections, but that outcome is by no means assured at this point.

Of the four Senate contests in the 11-state region, only the Virginia race leans Republican as of now. And in the area's six governors' races, the GOP candidate is favored only in Tennessee. Best chances for the Republicans are in a number of crucial congressional battles.

Democrats in the House races—except for the "boll weevil" group that supported President Reagan almost without fail—hope that resentment over the sagging economy will generate the votes needed to win. Unemployment in six states—Kentucky, Tennessee, South Carolina, Louisiana, Mississippi, and Alabama—is well over the national average of 10.1 percent, and is nearly as high in a couple of others.

A major factor will be the turnout of black voters, which if heavy enough could catapult more progressive candidates than the region normally sends to Washington.

Among the Senate races, five-term Republican Rep. Robin L. Beard is waging a vicious campaign against incumbent Sen. Jim Sasser (D) in Tennessee, resorting to flat distortions of Sasser's record on a number of issues.

Attacks Backfire

But the strategy seems to have backfired. The Nashville Banner, one of the state's most conservative newspapers, withdrew its endorsement of Beard, accusing him of campaigning on "outdated conservate demagoguery." And a recent poll conducted for Sasser showed Beard's strength had dropped 6 points, with Sasser leading by more than 2 to 1. The poll also showed that negative feelings about Beard had soared 15 percent.

Sasser, who narrowly upset Republican Bill Brock in 1976 to win his first Senate term, backs the AFL-CIO's efforts to win congressional approval of a bill requiring that cars and light trucks sold in the United States contain large amounts of domestically produced parts. He says the bill would help put more than 15,000 unemployed Tennesseans back to work in a state where joblessness is at 11.1 percent of the labor force.

Democrats are also favored in Senate races in Florida and Mississippi. In the latter, Sen. John Stennis faces the hardest race of his long career against Haley Barbour, a Yazoo City lawyer and vice chairman of the state Republican party. Stennis first took office in 1947 and is counting on his Senate experience and seniority to win him another term.

Virginia is where the South's tightest Senate race is under way. Three-term Rep. Paul S. Trible, Jr., supported by the National Conservative Political Action Committee and other right-wing groups, is running as a Reagan Republican against Democratic Lt. Gov. Richard J. Davis, and is stumping hard to succeed independent Sen. Harry F. Byrd, Jr.

Davis has the support of most black voters, liberals and organized labor, but it is uncertain whether he can win in the face of Trible's better-financed campaign.

Southern focal point

The House contest drawing most attention in the South is in Mississippi's 2nd District, where a labor-endorsed black legislator, Robert G. Clark, is in a tough battle with former State Judge Webb Franklin, a conservative Republican.

Clark was the first black person since Reconstruction to win a seat in the Mississippi legislature, and this year he became the first to win a Democratic congressional primary. Right now, Clark appears to have an edge to become Mississippi's first black House member in this century, but much will depend on the abilities of the two candidates to turn out their vote.

Gov. William Winter, campaigning hard for Clark, has called the campaign a test of whether Mississippi has rejected its racist past. While the 2nd is the state's first black-majority district since passage of the 1965 Voting Rights Act, only about 40 percent of its registered voters are black.

In another Mississippi House contest, COPE-endorsed incumbent Wayne Dowdy, a Democrat, who won a 900-vote victory last year in a special election for the 4th District in the Jackson area, is being challenged by Liles Williams, a Republican, and Eddie L. McBride, a black who is running as an independent.

Close races

With a year in office, Dowdy is given a slight edge even though Williams has a financial advantage and McBride is running in a district where blacks constitute 45 percent of the population.

Tennessee has two close elections. In the new 4th District, Senate Majority Leader Howard H. Baker Jr.'s daughter, Cissy Baker, is pitted against James Cooper, a Democrat and son of the late Gov. Prentice Cooper. Despite her father's direct involvement in the race, Baker is seen finishing second to Cooper, who got off to an early start in the campaign.

In the 7th District, Memphis advertising executive Don Sundquist, a Republican, is squared off against Robert Clement, a former member of the State Public Service Commission and son of the late Gov. Frank G. Clement, in a battle to fill the seat of Beard who left to run for the Senate. Clement not only has name recognition but strength in the rural counties where conservative Democrats are dominant.

In Alabama, Democrats' prospects appear to be enhanced in the 2nd and 6th Districts. Billy Joe Camp, a member of the state Public Service Commission and longtime press secretary to former Gov. George C. Wallace, is the Democratic contender in the 2nd, giving nine-term Rep. William L. Dickinson a strong run. In the 6th, reapportionment has replaced many of the Republican neighborhoods with solid Democratic neighborhoods, helping the chances of Democratic nominee Benjamin L. Erdreich in his contest against Republican incumbent Albert Lee Smith Jr.

Reapportionment factor

In Georgia, the outcome of two key contests, in the Atlanta area's 4th and 5th Districts, will also be affected by reapportionment. In Florida and Texas, freshman congressmen are seeking re-election in districts that have rejected incumbents in the last three elections.

Two former Democratic governors are among candidates in the South's six gubernatorial contests, and both—Bill Clinton in Arkansas and George Wallace in Alabama—are rated favorites.

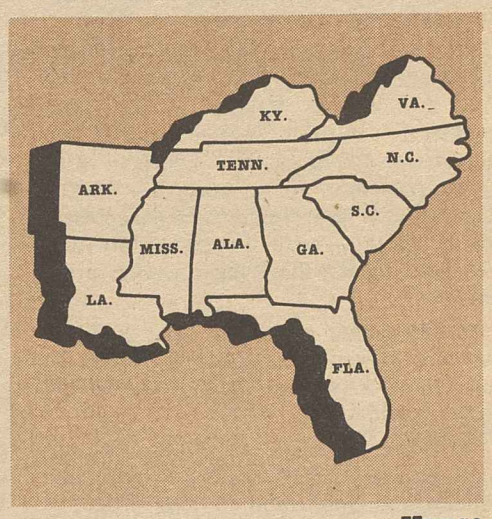
In Florida, the state house is viewed as safe for Democratic Gov. Robert Graham, who is seeking a second term against Republican Rep. L. A. (Skip) Bafalis.

Republican incumbent Lamar Alexander is favored to win a second term as governor of Tennessee, and Democratic incumbent Gov. Richard Riley is expected to gain a second term in South Carolina. In Georgia, Democratic State Rep. Joe Harris is running ahead of Republican State Sen. Robert H. Bell for the governorship.

THE SOUTH

Seats up for election in each state

Checks denote Senate seats and Governorships to be filled; numbers indicate House races.



	Sen.	Gov.	House Seats
VA.	✓		10
KY.			7
TENN.	✓	✓	9
ALA.		✓	7
GA.		✓	10
N.C.			11
S.C.		✓	6
FLA.	✓	✓	19
MISS.	✓		5
LA.			8
ARK.		✓	4

Painters' pension funds to finance new housing

Pension fund assets of the Painters will be invested in new residential housing and members of the union will be given preference in mortgage commitments, President S. Frank Raftery announced.

Raftery said the union will seek to invest up to $30 million of pension fund assets—10 percent of its national investment portfolio—in mortgages for union-built homes at interest rates working families can afford.

Cities tentatively chosen for the home investment program are Portland, Ore.; San Diego, Fresno and Sacramento, Calif., Minneapolis and Chicago.

Texas governorship in the spotlight

Democrats are looking to expand their grip on governorships and their strength in congressional delegations in the Southwest, where they currently hold a slight overall advantage.

In the four southwestern states of Arizona, New Mexico, Texas and Oklahoma, Senate races are being held in all but Oklahoma and gubernatorial contests in all four.

One of the most colorful governor's contests has incumbent Republican William Clements waging a brawling battle against Democratic State Atty. Gen. Mark White.

In a large part, the race is a comparison of personalities. The 65-year-old governor is often abrasive in his remarks, attacking White's record as attorney general. In turn, White charges that Texas's first Republican governor since Reconstruction should be turned out of office because he is arrogant and lacking in compassion for the underprivileged and jobless.

Clements is courting the Mexican-American vote which traditionally goes Democratic. Mexican-Americans constitute over 20 percent of the state's population and about 15 percent of its voters. Four years ago, Clements got over 20 percent of this bloc.

White has seized on the sharp rise in the state's unemployment rate, from 6.7 percent in August to 8.4 percent in September. And he has attacked Clements for supporting a guest-worker program for undocumented workers as well as for encouraging northern workers to come to Texas at a time when its economy is faltering.

White has proven himself a tough campaigner, winning a three-way primary this year and, four years ago, defeating now-White House chief of staff James Baker in the attorney general's race. But Clements has the advantages of incumbency and a $10-million campaign chest—over twice as big as White's.

In the other statehouse races, Democratic incumbents Bruce Babbitt of Arizona and George Nigh of Oklahoma are favored to win second terms, while the New Mexico contest between Democratic Atty. Gen. Toney Anaya and former GOP State Sen. John Irick is leaning Democratic. Gov. Bruce King, a Democrat, is ineligible to seek re-election.

Three Senate contests

In the Senate races, labor is backing incumbents Lloyd Bentsen in Texas and Dennis DeConcini in Arizona, both Democrats, and challenger Jeff Bingaman, also a Democrat, in New Mexico. Bentsen and DeConcini are likely winners. Bingaman's chances against incumbent Republican Sen. Harrison Schmitt, seeking a second term, rest on how voters react to the Reagan Recession, which has produced an unemployment rate of 10.1 percent in a state where Democrats enjoy a nearly 2-to-1 registration advantage.

Among the 41 House races in the four-state area are a number of close contests where no clear favorite has emerged. One of these is in Texas, where redistricting has given Republican Jim Bradshaw a second chance at Congress.

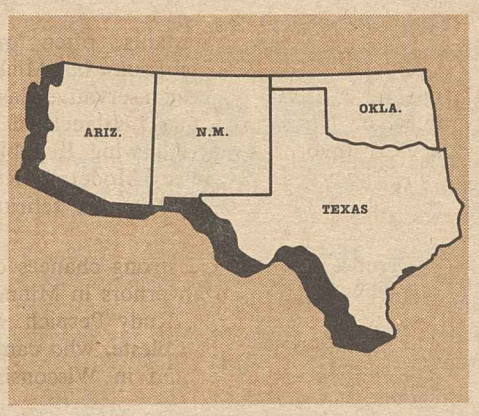
The 42-year-old former Fort Worth city councilman got clobbered in his attempt two years ago to unseat House Majority Leader Jim Wright. Now he is running for one of three new seats awarded to Texas in the post-Census reapportionment.

In the 26th District, two-thirds of the voters went for Reagan in 1980, but the House race is in doubt because Bradshaw is running against Tom Vandergriff, mayor of Arlington, Tex., from 1951-77, a man many local politicians believe is the only Democrat who could carry such conservative territory. Vandergriff has a solid political base and is running as a conservative.

THE SOUTHWEST

Seats up for election in each state

Checks denote Senate seats and Governorships to be filled; numbers indicate House races.



	Sen.	Gov.	House Seats
OKLA.		✓	6
TEXAS	✓	✓	27
ARIZ.	✓	✓	5
N.M.	✓	✓	3

UTU pact completes national rail bargaining

The United Transportation Union approved a 39-month agreement with the nation's major railroads, winding up national bargaining in the rail industry.

The pact, which covers some 80,000 UTU members, generally follows the pattern agreed to by 12 other unions with railroad members. Total pay and fringe benefit increases could amount to 31.5-percent over the life of the agreement.

UTU members are scheduled to get checks Dec. 15 providing retroactive pay increases and cost-of-living adjustments dating back to Apr. 1, 1981.

Recession shapes battle lines in West

By John R. Oravec

The ravages of the Reagan Recession have enhanced Democratic prospects for picking up three governorships and a Senate seat in the Far West states on Nov. 2.

Five of the six states—Alaska, California, Nevada, Oregon and Washington—went for Ronald Reagan in the 1980 presidential election. In the process, two incumbent Democratic senators with strong pro-labor voting records—Warren Magnuson of Washington and Mike Gravel of Alaska—were dumped. Only Hawaii held against the Reagan sweep in the region.

The President again will be a factor in the congressional races. But this time, he could hurt more than help many of the GOP candidates.

With the recession deepening and unemployment soaring, Reagan's economic policies and opposition to jobs programs figure to be a greater liability for Republicans in the six western states than the President's polished television performances can offset. And, most Republican candidates have shunned close identification with Reagan.

On the other hand GOP incumbents and challengers alike are far outpacing Democrats in terms of campaign contributions and spending. That funding gap could jeopardize the party's chances of expected substantial gains in the region.

Here's a closer look at the six states:

California—Early in the campaign for the Senate, Gov. Edmund G. Brown (D) trailed San Diego Mayor Pete Wilson (R) by a wide margin in public opinion polls. But Brown has now pulled even. In one poll, he wiped out a 22-point deficit largely with the help of Wilson, who had suggested controversial changes in social security that could lead to cutbacks in benefits.

Wilson has since tried to shift from his conservative image, but it may not be too late to slow the momentum being built by Brown, who is running with strong labor backing. The seat is being vacated by Sen. S. I. Hayakawa (R), who compiled a COPE voting record of 13 right and 93 wrong on key issues of concern during his one term in the Senate.

In the gubernatorial race, COPE-endorsed Los Angeles Mayor Tom Bradley (D) continues to lead in the polls over Lt. Gov. George Deukmejian. A victory for Bradley on Nov. 2 would make him the nation's first elected black governor.

Both candidates are running low-key campaigns. Deukmejian is counting on carefully planned conservative support, while Bradley shows strong appeal with the traditional Democratic coalition of urban-minority-labor groups.

Democrats also have a chance of gaining a handful of Republican-held House seats. Long-entrenched Republican conservative incumbents Don H. Clausen and John H. Rousselot are trailing their Democratic challengers. Clausen sided with labor only 23 percent of the time on key votes; Rousselot, a mere 8 percent.

Nevada—Democratic Sen. Howard W. Cannon is favored to win a fifth term over Chic Hecht (R), a former state legislator. Cannon turned back a challenge from Rep. James D. Santini, a supporter of Reagan economic policies, in the Democratic primary. Hecht espouses the same conservative line. Cannon easily repelled attacks by the National Conservative Political Action Committee in the primary, and NCPAC has cranked up more anti-Cannon salvos for the Nov. 2 election.

In the statehouse contest, incumbent Republican Gov. Robert F. List is trailing Democratic Atty. Gen. Richard H. Bryan in the polls. List lacks the support of many Republicans, and the state has been plagued by the recession.

Nevada gained a seat in the House as a result of the population shift. Former Lt. Gov. Harry Reid (D) is a clear favorite in the 1st District over Peggy Cavnar (R). In the 2nd District, former state Sen. Mary Gojack (D) has a closer race with Barbara Vucanovich (R), an aide to Republican Sen. Paul Laxalt. Gojack challenged Laxalt in the 1980 Senate race.

Washington—Sen. Henry M. Jackson (D) appears well on his way to a sixth term against his overmatched Republican opponent, Doug Jewett. In five previous victories, Jackson has carried the state with at least 60 percent of the vote.

In the congressional contests, the five incumbent Democrats and two Republicans are clear favorites for re-election. In the state's new 8th District, drawn to favor Republicans in the Seattle suburbs, Mercer Island Mayor Beth Bland (D) is gaining on Rodney Chandler (R), a state legislator and former television news personality.

Oregon—Republicans could lose another statehouse with the defeat of Gov. Victor G. Atiyeh by Democratic State Sen. Ted Kulongoski, who is running a strong challenge. The Reagan Recession has hit Oregon hard, and Atiyeh is having problems trying to dissociate himself from the Reaganomics he earlier supported.

The three incumbent Democrats and one Republican are favored to win re-election to the House. In the state's new 2nd District—set up to favor Republicans—COPE-endorsed Larryann Willis (D) is running head-to-head with State Sen. Bob Smith (R).

Alaska—Democrats have a fair chance of wresting the governorship from Republicans. Bill Sheffield (D) is running a strong campaign against Tom Fink (R), whose conservative philosophy is making moderate Republicans uncomfortable. Incumbent Republican Gov. Jay S. Hammond is ineligible for a third term.

Rep. Don Young appears headed for re-election to keep the state's at-large House seat in the Republican column.

Hawaii—Republicans are having problems raising any meaningful challenge to the re-election drives of Sen. Spark M. Matsunaga, Gov. George Ariyoshi and Representatives Cecil Heftel and Daniel K. Akaka.

THE WEST

Seats up for election in each state

Checks denote Senate seats and Governorships to be filled; numbers indicate House races.

	Sen.	Gov.	House Seats
NEV.	✓	✓	2
WASH.	✓		8
ORE.		✓	5
CALIF.	✓	✓	45
HAWAII	✓	✓	2
ALASKA		✓	1

Tight races develop in mountain, plains area

Despite a number of sharply contested races, party lineups are expected to remain relatively unchanged in the nine western plains and mountain states.

The sector played a key role in the 1980 Ronald Reagan landslide and the Republican takeover of the Senate. But there appears little chance for new Republican gains even though the largely rural states have escaped the full brunt of the consequences from Reagan's policies.

Democrats figure on retaining their 3-to-2 edge in the Senate seats being contested in the nine states, as well as the 4-2-margin over Republicans in the six governorships up for election this year.

If economic problems trigger deeper voter resentment against Republicans on election day, Democrats could pick up at least three or four seats in the House.

The National Conservative Political Action Committee (NCPAC) has plowed large sums of money into media campaigns throughout the nine-state sector in an effort to oust key Democratic incumbents.

Here is a closer look at the area:

Colorado—Incumbent Democratic Gov. Richard D. Lamm is heavily favored to win a third term. Lamm has built a solid political base during his eight years in the statehouse and is at the height of his popularity. That leaves Republican challenger John D. Fuhr in a mismatch.

Although the Republican-controlled legislature redrew congressional districts, none of Colorado's three Democratic incumbent House members appears to be in trouble. Even Rep. Ray Kogovsek, whose 3rd District was chopped up and is under heavy attack by NCPAC, leads Republican challenger Tom Wiens by a substantial margin. The state's two Republican incumbents also are favored.

In Colorado's new 6th District, Republican Jack Swigert has only a slight lead over Democrat Steve Hogan, even though the district was shaped to benefit the GOP.

Nebraska—Republican Gov. Charles Thone is in a hard fight for survival against Democratic challenger Robert Kerrey, a virtual unknown until he won his party's primary. The state's economic problems and Thone's taxing policies have hurt him.

In the Senate race, Democratic incumbent Edward Zorinski is favored to defeat Republican James Keck. Zorinski failed to gain COPE endorsement because of his poor voting record on labor issues.

But in the second congressional district labor-backed Richard M. Fellman (D) is given a chance of ousting Rep. Hal Daub (R) because of the incumbent's ties to Reaganomics.

Kansas—Democratic Gov. John Carlin holds a narrow lead in his bid for re-election over challenger Sam Hardage in a state where the GOP has a majority of voters. Carlin was elected in 1978 with less than 50 percent of the vote.

Democrats have an opportunity to pick up the 2nd District congressional seat of retiring Republican Rep. Jim Jeffries. Their hopes are with Jim Slattery, a popular former state legislator who has COPE support but is being heavily outspent by his opponent Morris Kay, former GOP state chairman.

South Dakota—Republicans are favored to retain the statehouse with incumbent Gov. William J. Janklow, although Democratic challenger Mike O'Connor has made some inroads despite a poorly financed campaign.

Democrats stand a better chance of taking the at-large House seat remaining after reapportionment.

Democrat Thomas A. Daschle, 1st District incumbent, jumped to an early 20-point lead in opinion polls, and Republican Clint Roberts, 2nd District incumbent and a staunch supporter of Reagan policies, still trails by a wide margin. In key House votes, Daschle sided with labor 83 percent of the time; Roberts, 8 percent.

North Dakota—Sen. Quentin N. Burdick is strongly favored to win a fourth term over Republican opponent Gene Knorr, a former Washington lobbyist. Although NCPAC has poured heavy amounts of money into an anti-Burdick campaign.

In the state's at-large congressional contest, Rep. Byron L. Dorgan is a clear favorite to keep the seat in the Democratic column.

Idaho—Democratic Gov. John V. Evans is encountering a stiff challenge from Lt. Gov. Philip Batt, an upset winner in the Republican primary. Evans has repelled attempts by the Republican-controlled legislature to enact a "right-to-work" measure, while Batt has pledged that he would sign an R-T-W bill.

In the 2nd District House race, Democrats are looking to unseat Rep. George Hansen, who has been under fire for questionable financial dealings. Hansen's Democratic opponent, Richard Stallings, a college professor, has pulled ahead in some polls. Hansen has voted with labor only 8 percent of the time in his six terms.

Montana—Democratic Sen. John Melcher is a prime target of NCPAC, which expects to pour more than $200,000 into its effort to block his re-election. Melcher's early lead in the polls over Larry Williams (R) has been trimmed substantially.

But the state's labor movement has been developing effective voter registration and get-out-the-vote campaigns on behalf of Melcher.

Republicans may find themselves with a loss in the state's 2nd District where three-term Rep. Ron Marlenee is fighting a stiff challenge from Democrat Howard L. Lyman.

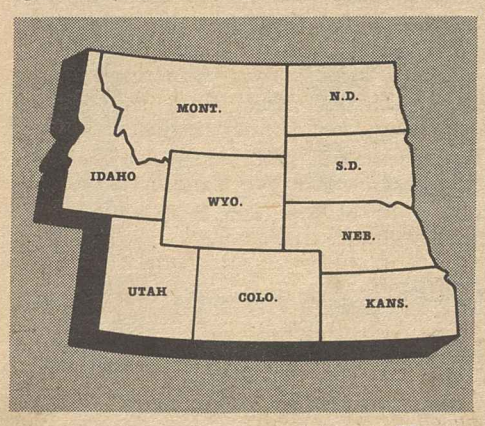
Utah—Republican Sen. Orrin G. Hatch has been fending off charges that he cares more about national conservative causes than about Utah's needs and this has slowed his re-election drive. But his Democratic challenger, Ted Wilson, mayor of Salt Lake City, has an uphill battle in this conservative state.

Ogden Mayor A. Stephen Dirks is mounting a definite threat to Republican Rep. James V. Hansen in the 1st District, which has been redrawn since the incumbent was narrowly elected in 1980.

Wyoming—Democratic Gov. Ed Herschler is in a tight race for a third term with challenger Warren A. Morton in a predominantly Republican state. But Herschler has the support of northern Republican ranchers, and is favored to win.

Republican Sen. Malcolm Wallop also is expected to win re-election, despite a strong challenge by Rodger McDaniel, a former state senator.

THE MOUNTAIN & PLAINS STATES



	Sen.	Gov.	House Seats
N.D.	✓		1
S.D.		✓	1
NEB.	✓	✓	3
KANS.		✓	5
COLO.		✓	6
UTAH	✓		3
WYO.	✓	✓	1
IDAHO		✓	2
MONT.	✓		2

EDITORIALS

Shunning the 'Course'

THE CANDIDATES in this election, Democrats and Republicans alike, have already rendered their verdict on Reaganomics.

It's just not a politically saleable product.

Democrats, with good reason, are running against the President's program and the sorry record of this Administration.

That's not hard to do. The lengthened lines of the unemployed, the closed plants and idled machines, the long depression in construction and the rise in bankruptcies all testify to the punctured bubble of supply-side economics.

And a lot of Republicans are talking about constituent service these days.

The President has his hard-core defenders who echo his "Stay the Course" slogan. But there are also the pragmatists who look at their districts and take pains to put the widest possible distance between President Reagan's policies and their own re-election campaigns.

Some have even asked openly that the President please stay out of their districts—at least until after the election.

The message they are getting from their constituents is that it's time to "Change the Course."

The Decontrol Issue

IF THIS Administration is serious about holding down inflation, it will drop its plans to make decontrol of natural gas prices a key goal in the new Congress.

Prices to consumers have risen steadily under the generous-to-industry policies of the Federal Energy Regulatory Commissions; the only possible reason for decontrol is to swell oil and gas industry profits beyond any reasonable level.

Existing law allows the decontrol of about half the nation's natural gas supply by 1985. Industry doesn't want to wait, and it has a friend in the White House.

The strategy, according to the Oil & Gas Journal, "is to lie low through November" and then launch a "grass roots" campaign.

A labor-consumer alliance—the Citizen/Labor Energy Coalition—has a grass roots campaign of its own—to alert voters to the threat of triple-digit gas bills and to get candidates on record for keeping the lid on prices.

The answers should be given now, not after the election.

A Key Role for COPE

ITS A RARE voter who is well informed about the candidates running for the state legislature, the voting records of incumbents or the positions of those seeking office for the first time.

Even the better local newspapers— those that cover the issues and campaigns of congressional and gubernatorial candidates—give scant attention to the contests for the legislature. A School Board election is more fully covered.

When Congress is in session, careful readers are able to find out how their representatives and senators voted on major legislation.

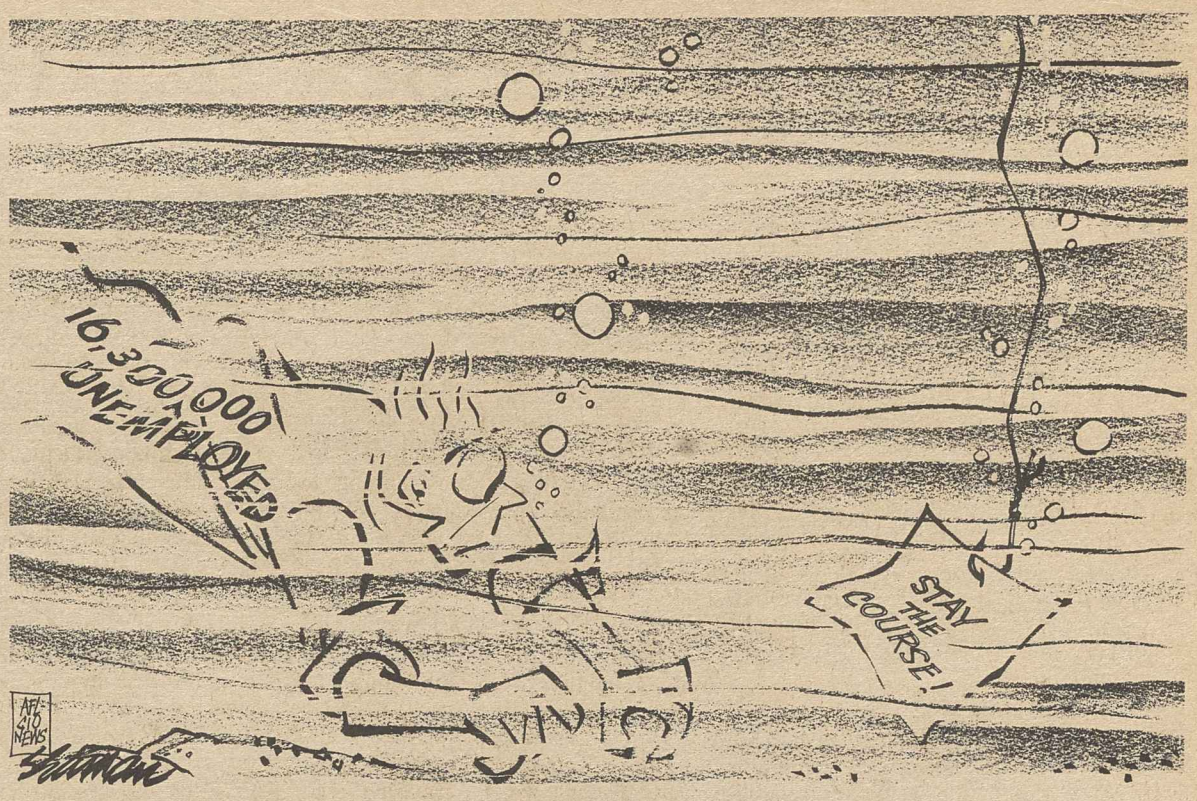
Too seldom, however, is the vote of a state representative or a state senator noted.

That's why the COPE screening process that leads to labor endorsements of candidates for the legislature as well as other local, state and national offices is so very important.

The union men and women who interview the candidates know the issues and the legislative records. They know the attempts to undermine consumer protections and to repeal prevailing wage laws. They know, from labor's lobbyists in the state capitals, who stood up for workers when it counted.

Equally important, the candidates being interviewed know that if elected they will be held accountable. They will be measured on performance, not promise.

A COPE endorsement is important—to candidates and voters alike.



Washington Window

Jobless workers' trials reflect desperation, fear

By Press Associates, Inc.

"I took a gun to myself. I pulled the trigger . . . I either moved my head—I don't remember. I'm sorry for doing it because I thought it was a quick way out of this."

His voice choked with emotion, a steelworker unemployed since July 1981—the start of the Reagan Recession—described to a congressional committee how he almost killed himself with his hunting rifle.

Albert Bragg, 33, of New Cumberland, W.Va., described the despair he felt over not being able to find work after losing his job at the Crucible Steel Plant in Midland, Pa.

"I got two little kids," he told the panel. "And the little one said to me—Angel said, 'Daddy, we'll make it.' "

Letter to Reagan

Bragg said he later found Angel writing a letter to President Reagan, telling him about the suicide attempt. Bragg intercepted the letter.

I asked her why she wrote it, he said, and she replied: "Well, Dad, ever since that man has been in office, you ain't worked." And that, Bragg added, is "the God's truth."

Bragg told the panel that Ronald Friess, president of the Steelworkers local at Crucible, sent a telegram to Reagan telling him that 5,000 workers were losing their jobs at the plant.

Bragg said Friess, who was in the hearing room, got a reply from the White House which said, "This matter is not one of overriding interest to this Administration."

On Oct. 15, one week after steelworker Bragg testified, the Crucible mill shut down.

Others appearing before the congressional Joint Economic Committee told similar tales.

Harry Hicks had eight and a half years in at a Chevrolet plant in Flint, Mich. The plant, which once employed 5,000 workers, is down to 2,600. Hicks, a member of Auto Workers Local 598, was laid off a week before last Christmas. He has a wife and three kids, a mortgage, a car on which he cancelled the insurance, and his extended jobless benefits run out in January.

Can't find work

Donald Booth of Glen Rock, Pa., had over eight years with Bethlehem Steel. A member of Steelworkers Local 24, he has been laid off almost all of the last 18 months. "I don't know what to tell my kids about why I can't buy food sometimes," he said. "I don't know what to tell them when they ask me why they can't have new shoes. I go out and try to find work. I can't find work."

Nolan Anderson, an Auto Workers' representative at a General Motors plant in Baltimore, appeared with his wife, Cheryl. "We have it bad, my family," Anderson said. "There's 4,000 other people that have been off down there for 16 months. They have it bad, too."

Asked if people want to work, Anderson said he certainly thought so, adding: "We've lost our homes, families have split up, children have left—a multitude of problems that come from no income, that come from making $20-30,000 a year and then a year after you're laid off, you have nothing, no place to turn to."

No health insurance

Ida Hines, a social science teacher in Baltimore and a member of the American Federation of Teachers, said she never had been unemployed before. After 15 years in the school system, last May she received a layoff notice; at the same time, she learned her daughter had multiple sclerosis. The head of the household, with four children, she is without a job and without health insurance and finds it "very frightening."

The talk of economic recovery, she said, is a "cover-up" and "I don't believe it."

These are real people, the "new poor" created by the millions by President Reagan and his old-fangled Reaganomics.

AFL-CIO news

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* deceased

Long-term aid to jobless cut in nine states

Jobless workers in California and eight other states will lose up to 13 weeks of eligibility for unemployment compensation, the Labor Dept. announced.

The cutoff, which leaves only 14 states paying extended benefits beyond the 26 weeks provided by state law, is the result of new regulations enacted by Congress at the insistence of the Reagan Administration

Its effect has been to reduce the maximum duration of unemployment compensation at a time when the jobless rate has hit a 42-year high.

Besides California, states affected by the latest benefit cutoff are Alaska, Arizona, Louisiana, Montana, Nevada, North Carolina, Rhode Island and Utah.

The Labor Dept. noted that Michigan, Oregon and Wisconsin are very close to the new cutoff line and could be added to the list in the near future.

An estimated 135,000 unemployed persons in the nine states are now drawing extended benefits. Most of them will be able to shift to a temporary federal program Congress enacted last summer, which provides up to 10 weeks of federal benefits. The 10-week period starts after all other benefits have been exhausted.

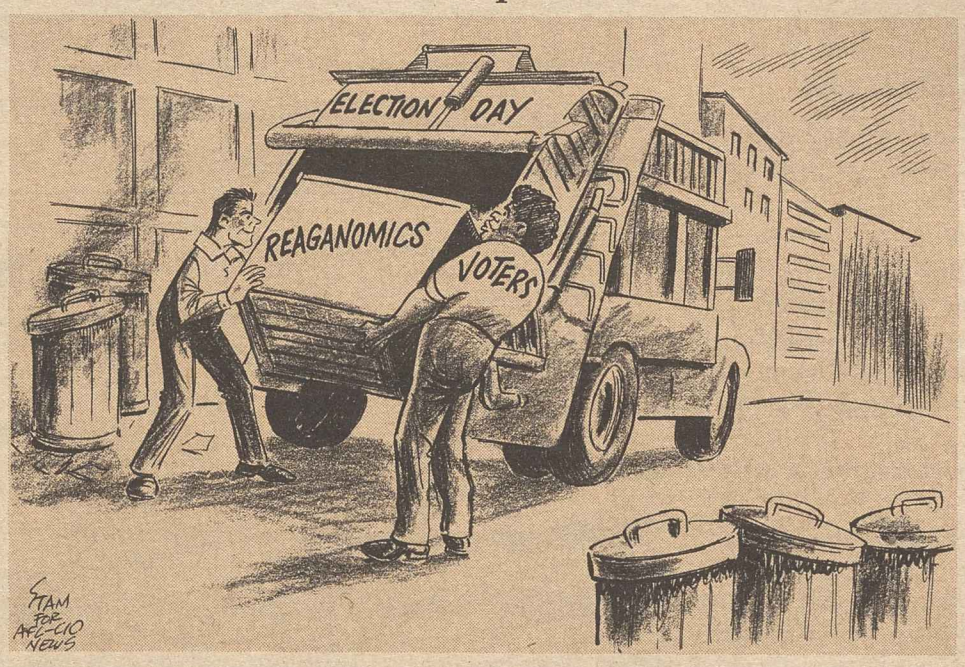
Benefits triggered off

Thus, workers in states that still pay extended benefits would have a maximum of 49 weeks of payments, but the maximum for states that have triggered-off the extended benefits program would be 46 weeks. States with less severe unemployment receive less than the full 10 weeks of federal payments—either six weeks or eight weeks.

Ironically, all states provided 13 weeks of extended benefits when unemployment was less severe. But Congress and the Administration first eliminated the national trigger and then sharply raised the state trigger for determining when unemployment was bad enough to begin the extended benefits program.

That cutback was compounded by changing the rules so that workers receiving extended benefis would no longer be counted toward the trigger point. In effect, the deeper the recession and the longer people are out of work, the fewer the states that pay extended benefits.

Dump It!



Higher jobless rates likely as economic growth slows

Continued from Page 1

economic forecasting project at Georgia State University, told a hearing of the congressional Joint Economic Committee.

Ratajczak predicted that interest rates will begin rising again early next year and that unemployment will peak "slightly in excess of 10.5 percent" at the end of 1982.

"An 11-percent unemployment rate is not out of the realm of possibility," he added.

Other economists appearing before the panel were equally pessimistic about the prospects for recovery and an improvement in the jobs picture. They included Allen Sinai of Data Resources Inc. of Lexington, Mass., Michael Evans of Evans Economics, and Prof. Francis Bator of Harvard University.

The government announcement on real GNP came on the heels of a Federal Reserve Board report that the nation's factories operated at a seasonally adjusted 69.1 percent of capacity last month, a seven-month low. AFL-CIO Economist Bill Cunningham said the drop in the factory utilization rate was "yet another sign that the recession is still with us."

Last month's operating rate was the lowest since an adjusted 69 percent in March 1975, near the bottom of the 1973-75 recession. The September operating rate compared with 70.1 percent in July and 78.3 percent a year ago.

Earlier, the Commerce Dept. issued a report showing that industrial production fell again in September, indicating the economy's weakness in the face of a recession that has gripped the country since July 1981. Factory output dropped six-tenths of 1 percent after decreasing five-tenths of 1 percent in August. Output has fallen 10.8 percent during the recession.

Bankruptcies still mount

Commercial and industrial failures continued to mount. Dun & Bradstreet, Inc., the credit-rating service, said 554 concerns failed in the holiday-shortened week ended Oct. 14, a slight dip from 598 the week before but almost double the 284 failed firms reported in the comparable week a year earlier.

A couple of potentially bright spots for the economy surfaced in two other Commerce reports. One showed housing starts up 14.4 percent last month, while the other estimated personal income rose slightly, by three-tenths of 1 percent, and consumer spending increased a full 1 percent in September.

The slight rise in personal income came even though there was a drop in wages and salaries, mainly in the commodity-producing sector. Increases in transfer payments, which include unemployment benefits; interest and dividend income; and other non-wage income offset the wage-salary loss.

The increase in housing starts in September offset a 16-percent drop posted in August, and continued a zig-zag trend since April. Most of the increase was for multi-family structures and reflected a flood of federally subsidized units.

Building permits, a measure of future construction activity, were issued at a seasonally adjusted annual rate of 1.038 million last month. The rate is 17 percent higher than the August rate and 24 percent above the September 1981 level.

In its report on economic growth, the Commerce Dept. said inflation as measured by its so-called GNP "implicit price deflator" was 5.4 percent in the third quarter of this year. That compared with 4.6 percent in the second quarter.

No dancing in the streets

Protesting a lockout by the American Ballet Theater, members of the Musical Artists set up a stand near New York's Lincoln Center. They were selling buttons, T-shirts and photos to supplement assistance from the union. ABT has cancelled the troupe's performances and rehearsals. The AGMA contract with the dance company expired Aug. 15 and negotiations broke off Oct. 9. ABT had locked out the dancers in 1980 over a contract dispute.

Boucher takes post with Musical Artists

New York—Gene Boucher has been named to succeed DeLloyd Tibbs as executive secretary of the Guild of Musical Artists. Tibbs has retired after 26 years service with AGMA, including 12 years as executive secretary.

Boucher, who has been president of the 5,500-member union since 1977, accepted the AGMA board's appointment to assume the new duties after completing his singing commitments with the New York Metropolitan Opera for the coming season.

AGMA's board of governors also elected First Vice President Don Yule to succeed Boucher as president. Yule is a basso with the New York City Opera.

Auto Workers weigh move in Chrysler talks

Detroit—The Auto Workers' 130-member Chrysler Council was scheduled to meet Oct. 21 to consider what course to take in the union's stalemated talks with the Chrysler Corp.

The latest development in the strained negotiations followed the company's rejection of a UAW request for an improved contract proposal. More than 70 percent of the company's hourly paid workers earlier voted against a tentative accord that would have tied general wage increases to future profits while restoring cost-of-living adjustments Chrysler workers gave up to help the automaker avoid bankruptcy.

UAW President Douglas A. Fraser said Chrysler's refusal to grant immediate pay raises "greatly enhances" the possibility of a strike. Chrysler workers now earn about $2 an hour less than their counterparts at the General Motors Corp. and Ford Motor Co.

Fraser said that no announcement would come until after the Chrysler Council meeting. The union must give the company 24 hours' notice of a strike, meaning a walkout could not begin before Oct. 22.

50,000 workers affected

Fraser and other top UAW officers met for a day to consider possible responses to Chrysler's stand, and the union's bargaining team met Oct. 20. The final decision will be made by the union's Chrysler Council. Approximately 50,000 UAW members are affected by the talks.

The union's rejection of the tentative agreement marked the first time in 35 years that rank-and-file UAW members have turned down a contract settlement with any major automaker and the first time ever a comprehensive Chrysler pact has been rejected.

Following the company's refusal to meet the union's request for an improved pay package, Thomas W. Miner, Chrysler vice president for industrial relations, termed the rejected contract a "final offer" and said the firm would take a strike if necessary.

The rejected contract would have restored COL adjustments to workers beginning in December. Quarterly wage bonuses would have been paid through the second quarter of 1983 only if Chrysler were profitable enough. Chrysler workers have not had a pay raise in nearly two years.

Reagan's stand on funds perils social security

Continued from Page 1

He said the White House couldn't discuss specific remedies until a bipartisan commission makes its recommendations later this year.

But that same day's Washington Post newspaper quoted "a senior Administration official" as declaring that the President strongly opposes moving up a scheduled increase in the social security payroll tax to meet the system's short-term funding problem—caused by recession, unemployment and inflation.

There would be no funding crisis if unemployment were at the same level as when Reagan was campaigning for office, Seidman noted. By present projections, the retirement fund will shift from deficit to surplus in the 1990s.

Last year, the Reagan Administration proposed a drastic slash in social security benefits—and pulled back its proposal after a torrent of public protests.

Earlier this month, just before Congress adjourned until after the elections, it sent a resolution to the President expressing opposition "to any proposal to impose a means test on eligibility for the Medicare program," which is one of the ingredients of the social security system.

AFL-CIO news

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Labor mobilizes 'march to polls'

70,000 union members turn out in San Francisco for "jobs and justice" election march and rally.

All-out drive pressed for Election Day

By David L. Perlman

In San Francisco, 70,000 enthusiastic union members marched up Market Street in a three-hour parade that AFL-CIO President Lane Kirkland termed "a good warmup" for labor's "march to the polls" on Election Day.

It was the city's biggest labor turnout in decades, with five times the number of participants that had been expected.

Union members paraded through the streets of Charleston, W. Va., held a massive election rally in Peoria, Ill., and demonstrated in Omaha, Neb.

In Toledo, Ohio, retired UAW member Charles Johnson, 67, was interviewed by a reporter as he limped back from door-to-door campaigning. "I had to come back to change my shoes," he said. "I was getting blisters."

Workers who have lost their jobs in the Reagan Recession are staffing COPE telephone banks in key congressional districts, calling union members to urge support for labor-endorsed candidates—and most of all to urge them to vote.

The message AFL-CIO Sec.-Treas. Thomas R. Donahue brought to a Cement, Lime & Gypsum Workers convention in Minneapolis was being echoed by local union leaders in every part of the country:

"Go directly to the local COPE campaign office. Volunteer. Stuff envelopes for the last mailing in the few days left to us. Use that phone . . . Work like your job depends on it, because it does."

Mobilizing volunteers

More than in any previous non-presidential election, labor was mobilizing its human resources to counter the enormous advantage in campaign financing that candidates hostile to labor's goals usually enjoy.

A special target of labor's effort was to bring the nation's 11 million unemployed to the polls—despite the conventional wisdom that the unemployed don't bother to vote.

"We don't believe that," Kirkland told the rally at San Francisco's Civic Center Plaza that concluded the march. "Millions

Continued on Page 4

For human rights

South Africans share George Meany award

By James M. Shevis

Two champions of black rights in South Africa—one black, the other white—were honored by the AFL-CIO for their efforts in the overall, worldwide struggle for human rights.

"It is a tribute to the human spirit that, even in a country like South Africa, there are men and women of courage across the color line who dare to challenge the oppressor, undeterred by the consequences," Federation President Lane Kirkland said in presenting the 1982 George Meany Human Rights Award jointly to Dr. Neil Aggett and Mangosuthu Gatsha Buthelezi.

Dr. Aggett, a white officer of the African Food & Canning Workers, a union of black workers, was honored posthumously. He was only 28 years old when found dead early this year in a Johannesburg jail, where police had held him without charge.

Black liberation leader

Buthelezi is head of the largest black liberation movement in South Africa and chief minister of the 5-million member Zulu tribe. He has led relentless opposition to the practice of apartheid since assuming the chieftainship in 1957. Apartheid is the official government policy of racial segregation and political and economic discrimination against non-European groups.

Aggett and Buthelezi join the Polish labor federation, Solidarnosc (Solidarity), as the only recipients of the award since it was established two years ago by the AFL-CIO Executive Council. The 1981 inaugural award was to have been accepted for Solidarity by its chairman, Lech Walesa, but he was unable to leave Poland.

Aggett could well have chosen a life of privilege and station that comes with being white and a member of a profession in South Africa. Instead, he chose to give himself to the struggle to improve the quality of life of the country's millions of impoverished blacks.

As Aggett's sister, Mrs. Jill Aggett Burger, observed in remarks at the award presentation, he "became increasingly aware of the glaring gaps which existed between the haves and have-nots in South African society, largely based on race," and felt the need to become involved in community health programs in South Africa.

"He became particularly aware that the problems he was dealing with were not only medical problems but basically socio-

Continued on Page 3

Postal workers win back pay of $400 million

The U.S. Postal Service has agreed to pay $400 million to some 800,000 present and former employees in settlement of back pay claims based on violations of the Fair Labor Standards Act over a four-year period.

The wage-hour violations date from May 1, 1974, when postal and federal workers were first brought under the FLSA. Persons employed by the Postal Service at any time between May 1, 1974, and May 1, 1978, are in line for payments.

More than 80,000 postal workers won a $60 million back pay settlement in 1978 through a private lawsuit brought with the encouragement of their unions. After that precedent, Labor Sec. Ray Marshall filed a wage-hour suit against the Postal Service on behalf of all eligible postal workers.

The additional $400 million settlement will come from a contingency fund the Postal Service established after its liability for four years of underpayments became obvious.

Top officials of the Letter Carriers and the Postal Workers welcomed the settlement agreement which was reached in negotiations between the Labor Dept. and

Continued on Page 8

Potshot from the Chamber

Know what causes unemployment? Unemployment insurance, that's what.

How do you solve it? Simple, says Reaganomics cheerleader Richard Lesher, president of the U.S. Chamber of Commerce: "You make it less attractive for people to sit on their ass."

A lot of people "are making an art of going into the workforce long enough to qualify for unemployment," Lesher told San Francisco Chronicle reporter Harre W. Demoro last week. "If you don't give them a big unemployment check they will get off their ass and go to work."

Lesher's theory is being market-tested by 7.1 million jobless Americans—63 percent of the 11.3 million total—who get no unemployment benefits at all. Among the 4.2 million who do, the average benefit is $115 a week. In 21 states, maximum benefits are set well below minimum-wage levels.

Lesher said he expects 80 of the 100 Chamber-backed "pro-business" candidates to win in next Tuesday's elections. "No way" will there be heavy Republican losses in the House, he said. It might even be "a wash."

That's because "unemployment is what the liberals are crying about the most. The fact is that unemployment affects only a small part of the population."

While Lesher pontificated, 70,000 San Franciscans were preparing to march in a pre-election rally for jobs and justice. In New York City, 2,000 job hunters were camped outside a Carpenters Union hall where they waited up to four days to apply for 400 apprenticeships that will open up over the next two years.

And in Washington, 35 more newly unemployed people, caught in a second wave of layoffs at the U.S. Chamber of Commerce, were weighing their ex-boss's views from a new perspective.

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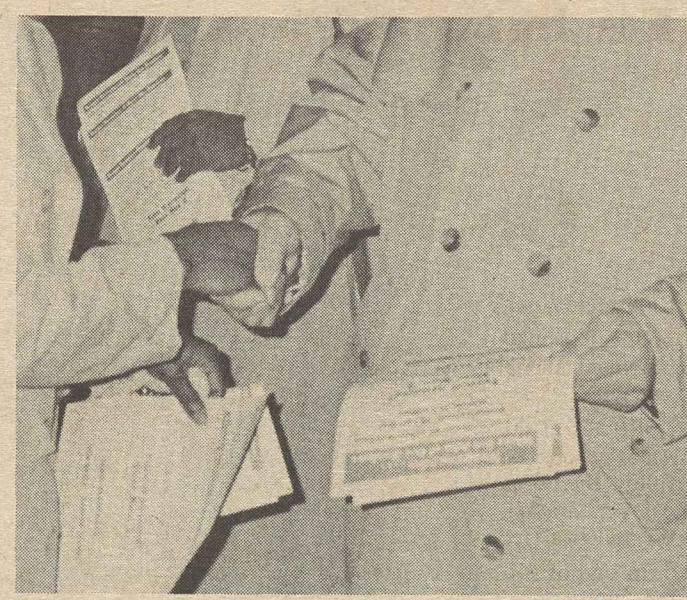
10/30/82

Main Street in Peoria is jammed with 5,000 demonstrators voicing their concerns over the impact of Reaganomics on the erosion of jobs in the central Illinois area.

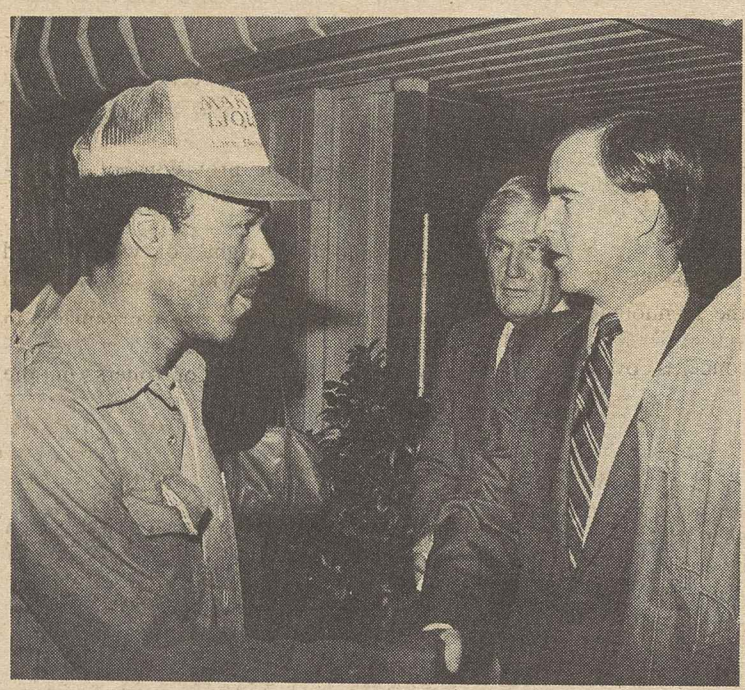


A scene repeated throughout the country on Oct. 19.

Countdown to election

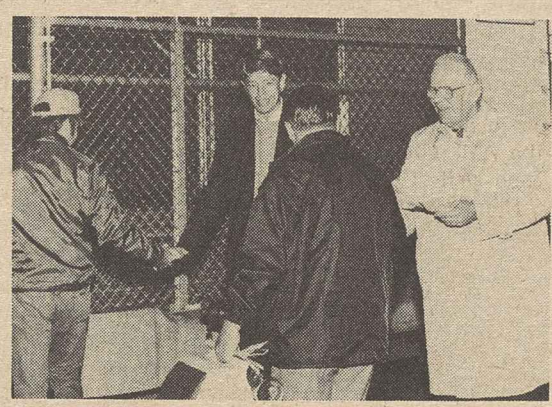
Leaflet distribution, rallies, demonstrations and soup lines focused the labor movement's attention on failing economic policies of President Reagan and his supporters in Congress as Election Day neared. In communities throughout the country, union members and officials joined in campaigns to elect COPE-endorsed candidates at all levels of government. Much of the activity centered on AFL-CIO efforts to spur a massive voter turnout at the polls Nov. 2.

At a coat factory in Middletown, N.Y., Rep. Peter Peyser campaigns with members of the Ladies' Garment Workers.



In southern California, Los Angeles County AFL-CIO Executive Sec.-Treas. William Robertson on the Senate campaign trail with Gov. Edmund G. Brown.

President Gerald W. McEntee of the State, County & Municipal Employees distributes voter information bulletins at Pittsburgh's municipal hall.



Rubber Workers President Milan Stone and Wisconsin congressional candidate Paul Offner at an Eau Clair plant gate.

Paperworkers President Wayne Glenn and congressional candidate Bob Clement, center, at a shift change in Clarksville, Tenn.

Volunteers from the Government Employees and the Firemen & Oilers leaflet federal workers in Virginia.

As Reagan sought to rally his party-line supporters in Omaha to "stay the course," Nebraska unions protested soaring unemployment with picket lines and soup lines.

For human rights

South Africans share George Meany award

Continued from page 1

political problems due to poverty, unemployment and poor living conditions," she said.

"It was at this point that Neil made the very serious decision in his life not to follow the normal route of the white medical practitioner in South Africa, where the material rewards are very high."

In one of his letters, Aggett said he saw the "limitations of medicine in an oppressive society. . . . What was needed was an end to oppressive conditions, if the health of society was to improve. And the key to this was in the organization of the people, especially the workers."

As Transvaal regional secretary for the Food & Canning Workers, Aggett was viewed by authorities as a threat because of his association with an independent group of black trade unionists.

Aggett and his girl friend, Dr. Liz Floyd, both of whom had been under constant surveillance by the authorities for some time, were arrested, put in solitary confinement, and detained for 70 days. He was found hanged in his cell on Feb. 5, fourteen hours after compiling an affidavit complaining of security police assault and torture. Dr. Floyd has had to seek psychiatric aid as a result of her ordeal.

46th prison death

Aggett—the 46th person and the only white to die in security police detention since 1963—serves as "a lesson and an inspiration," Kirkland told some 150 union leaders and international affairs experts, including Lawrence Eagleburger, deputy U.S. Secretary of State for Political Affairs, who attended the award presentation.

Aggett's example is also "a rebuke to the rulers of South Africa who regard black people as mere pawns in a cynical game of power," Kirkland said.

The award cited Aggett for "his commitment to the cause of the oppressed people of South Africa, for his selfless service to the needy and dispossessed, for his dedication to the cause of labor in his country, and for his unremitting fight for an equal society in South Africa." Dr. John A. Aggett accepted the award for his son.

In presenting the award to Chief Buthelezi, Kirkland described the 54-year-old black leader as "the single most potent force in resisting the onward rush of apartheid" by refusing to accept the so-called independence of the autonomous black state of Kwa Zulu.

Government policy

Under its homelands policy, South Africa's white government has established four independent black states and is preparing others, including Kwa Zulu, for independence by granting them self-government.

Buthelezi has characterized the move as a sham and a fraud, an abdication of the Zulus' claim to rights as South African citizens. If Kwa Zulu leaders were to accept the government's scheme, Buthelezi has said, "they would go down in history as betrayers of each and every thing our forebears stood for, suffered for, and fought for. There can be no right more inviolable than the right to be a citizen of the country of your birth."

In addition to his role as chief minister of the Zulus, Buthelezi heads a potentially powerful national political base, the Inkatha Yenkululeko Yesizwe (National Cultural Liberation movement). Inkatha has a paid-up membership of about 350,000, making it the largest black liberation movement in South Africa, which includes many black trade unionists.

Growing pains

Black trade unionism in South Africa has continually been dogged by schisms and internal strife — "growing pains," as Buthelezi put it. "The more recent trade union scene indicates a move away from under-achievement and disunity," he said.

Earlier, Buthelezi told reporters he favors a proposed loan from the International Monetary Fund to South Africa as long as the government is not given carte blanche to use it on arms. Other conditions for the loan, he said, should include equal pay to black workers for equal work, allowing black workers to rise to higher positions, and union participation in settling labor problems.

In a statement on the proposed IMF loan, Kirkland urged the United States government to investigate carefully to see that certain conditions are met. For one thing, he said, the IMF should obtain guarantees from the South African government of its support for the principle of freedom of association expressed in the International Labor Organization's Convention No. 87.

Unionists detained

Kirkland also reaffirmed the AFL-CIO's longstanding condemnation of apartheid, called for release of all trade unionists now under detention without charges having been brought against them, and assurances that the South African government would honor fair labor standards for all its people. South Africa's 20-million blacks far outnumber its 4.7-million whites and nearly 3-million Coloreds and Asians. Coloreds are persons of mixed-race descent.

In support of South Africa's black trade unionists, the AFL-CIO established a special labor fund at its 1981 convention, encouraging affiliated unions and other groups to contribute to it.

The George Meany award, established in memory of the late AFL-CIO leader and his commitment to the cause of human rights and dignity throughout the world, consists of plaques and $5,000 each to Chief Buthelezi and Dr. Aggett's family, which will use the money to continue an inquiry into his death.

Human rights heroes

George Meany Award for 1982 was shared by two heroes in the struggle for human rights in South Africa, Dr. Neil Aggett and Mangosuthu Gatsha Buthelezi. Aggett was honored posthumously. His sister, Jill Aggett Burger, and his father, Dr. J. A. Aggett, attended the award presentation and accepted the award from AFL-CIO President Lane Kirkland, along with Buthelezi, the head of the largest black liberation movement in South Africa.

Technology, job issues spell growth for broadcast union

Toronto—The Broadcast Employees & Technicians' ninth constitutional convention focused on the challenge posed by rapid technological change in the industry along with employer attempts to use the economic climate as an excuse to erode union conditions.

NABET President Edward M. Lynch, in his report to the delegates, noted that the union's membership had increased by 50 percent since the last convention in 1978, on top of a previous 50-percent jump in the 1974-78 period.

Lynch credited the gains to several factors including "the technological revolution" in broadcasting which has increased workers' concerns over job security on the one hand while opening new job opportunities on the other.

He also reported that NABET has responded to the concerns of members by stepping up the union's organizing activities achieving a higher than average rate of representation election victories.

The union has a right to be proud of its successes, Lynch said, but he stressed that holding on to gains "is going to become increasingly difficult and will require our undivided attention and the solidarity of all the people that we represent . . . in a very sophisticated, highly technologically advancing industry."

Lynch, who has been president since 1971, was re-elected without opposition as was Vice President James P. Nolan.

Robert W. Lind of Chicago was elected secretary-treasurer over William A. Frank of Buffalo. Duane R. Corder, who had served as secretary-treasurer for 11 years, did not seek re-election.

Taking part in the sessions were 67 delegates representing 10,145 active members in NABET's U.S. locals.

The fully autonomous NABET Canadian international union also held its convention in Toronto where 58 delegates represented the union's 4,724 Canadian members. Joint sessions between the fraternally linked organizations also were conducted.

The delegates adopted several resolutions to streamline provisions of the union's constitution. In other action, they affirmed the right to organize as "both a human and legal right" of workers and pointed to the outlawing of Solidarity in Poland, the murder of labor organizers in El Salvador, and the harsh treatment of striking Air Traffic Controllers in the United States as "notorious examples" of repression of unions under diverse political systems.

Donahue keynote in New Hampshire rips Reagan role

Bedford, N.H.—A rousing speech by AFL-CIO Sec.-Treas. Thomas R. Donahue stressing the importance of labor's participation in the Nov. 2 elections highlighted the 26th annual convention of the New Hampshire State AFL-CIO.

Donahue assailed the Administration's economic policies that enrich the wealthy at the expense of the poor and the middle class. He charged that President Reagan has turned his back on the people who are most in need—the unemployed, the sick, the disabled, and the elderly.

The delegates to the three-day convention adopted resolutions denouncing the Reagan Recession, urging voter registration reform and support of Solidarity Day II (Election Day), and endorsed the candidacies of Democrats Gov. Hugh J. Gallen, Rep. Norman D'Amours in the 1st District, and Robert Dupay in the 2nd District.

Frank Emig, assistant director of the AFL-CIO Dept. of Organization & Field Services, congratulated the State AFL-CIO for successfully defeating an attempt to push through a so-called right-to-work bill in the last session of the legislature. He warned that conservative elements in the state might try again in the coming legislative session.

The convention included a series of workshops on issues confronting labor as well as a panel discussion on trends in the labor movement.

Other resolutions adopted were measures backing legislation on workplace chemical labeling, restrictions on the use of lie detectors, and enactment of the Competitive Shipping & Shipbuilding Act.

Illinois labor gives verdict on Reaganomics

Springfield—President Reagan's economic performance and policies came under sharp attack in resolutions adopted by the 25th annual convention of the Illinois State AFL-CIO and in remarks by union leaders and Democratic candidates.

State Federation President Robert G. Gibson reminded the 1,600 delegates that the election Nov. 2 will be judgment day for the President's economic policies.

"When the votes are counted, if we act with energy and ingenuity we will render our verdict on the Administration: guilty of economic disaster."

Former U.S. Sen. Adlai E. Stevenson, Democratic candidate for governor, said Illinois cannot afford to wait "for a Reagan recovery that is always just around the corner. In this world there is no standing still. Illinois will push ahead or it will continue to sink. I want to push ahead."

Stevenson, the COPE-endorsed candidate, told delegates he will support prevailing wage requirements for state-financed projects, a change from earlier campaign comments.

Gov. James R. Thompson (R) steered clear of national economic issues. He reminded the convention of his support for the prevailing wage and his opposition to anti-labor laws.

Rep. Harold Washington (D-Ill.) described Reaganomics as a power grab to take from the poor and give to the rich, "to take from the needy and give to the greedy."

Washington called for the defeat of legislators, governors and mayors who support the Administration's economic policies as "the way to checkmate Mr. Reagan. . . . That will slow him down in 1983. And in 1984 there is only one answer for the kind of thing he has done to us: Get rid of him."

Brian Baschnagel, player representative of the Chicago Bears for the National Football League Players Association, thanked the delegates for AFL-CIO support of the players' strike against the owners and discussed the key issues in the dispute.

In other convention action, the delegates:

- Made public employee bargaining, including the agency shop, a top priority in legislative goals.
- Supported the economic programs the AFL-CIO has presented to Congress.
- Supported the renewed drive for passage of the Equal Rights Amendment.

Other speakers included U.S. Senators Alan J. Dixon (D) and Charles H. Percy (R); John Perkins, national COPE director; James Freeman, AFL-CIO Region 1 director, and Stanley L. Johnson, president emeritus of the State AFL-CIO.

AFL-CIO President Lane Kirkland joins leadoff contingent in march up San Francisco's Market Street.

Rallies, marches mobilize workers to make votes count on Election Day

Continued from Page 1

of people who have never been unemployed before in their lives have not subsided into apathy. They will turn out in righteous indignation," he predicted.

Leaders of two big unaffiliated unions—Sec.-Treas. Ray Schoessling of the Teamsters and President Jim Herman of the Longshoremen's & Warehousemen's Union—joined AFL-CIO speakers at the rally.

An Associated Press account conveyed the flavor of the occasion:

"The crowd of carpenters, teachers, engineers, grocery clerks, newspaper workers, longshoremen, steel workers, auto workers and other trades cheered wildly" speakers urging votes "for jobs and justice."

This election will determine the tilt of Congress during the next two years of the Reagan Administration—and will at least influence the state of the economy.

In a number of the 36 gubernatorial elections being held Nov. 2, and in contests for state legislatures, the outcome will determine whether states copycat Reaganomics or try to compensate for its hardships.

All 435 House seats are up this year, and the result of about 75 closely contested races will determine whether mainstream Democrats or a conservative coalition will have effective control of the House.

The present lineup, with two vacancies assigned to the party last holding the seats, is 243 Democrats and 192 Republicans. A scattering of Republicans earned COPE endorsement. But in general, the bigger the Democratic gain in House seats, the stronger the voter message for a change in course.

Off-year tradition

Reapportionment and an off-year tradition of low voter turnout make forecasts even more difficult than usual. But with unemployment so high, Republicans will probably claim victory if the Democratic pickup is held below 20 seats. A gain of 10 to 15 seats would be the "normal" pattern. Republicans gained 11 House seats in the first congressional election after Jimmy Carter was elected President; the Democratic gain after Richard Nixon's first two years in the White House was 12 seats.

Open seats, without an incumbent seeking re-election, are the congressional districts where party switches are most likely to occur.

This year, coupled with the reshuffling caused by the post-census reapportionment, there are 58 open House seats. Of these, 41 are in districts that Ronald Reagan carried in the presidential vote two years ago.

The arithmetic of this election leaves only a slim chance that the Democrats can take over control of the Senate.

Counting Virginia's retiring Harry F. Byrd, Jr., as a Democrat since he is part of the party's caucus in the Senate, Republicans now hold a 54-46 edge.

But only 13 of the 33 Senate seats up for election on Nov. 2 are held by Republicans, and several of the Democratic seats have been considered vulnerable. Democrats would have to win 25 of the 33 Senate elections to take control.

GOP outlook dims

Nevertheless, the once-bright chances of further Republican pickups have greatly dimmed, and two years from now Republicans will have 19 Senate seats to defend to only 14 for Democrats.

Democrats hold 20 of the 36 governorships up for election this year and have prospects of taking over several Midwest statehouses now held by Republicans.

Kirkland told the San Francisco rally that the best hope labor's foes have in this recession-battered economy is that workers and the unemployed won't bother to go to the polls; off-year turnout in the recent past has seldom been much above one-third of the potential electorate.

In the few remaining days, he urged, the trade union movement's job "is to help every citizen we can reach to make the connection between his vote and his livelihood."

Court rebuffs Congress bid to 'veto' rules

A legislative veto of regulations issued by Executive Branch agencies is unconstitutional, a federal appellate court ruled.

The 8-0 decision by the U.S. Court of Appeals for the District of Columbia struck down the "two-house veto" Congress had written into a 1980 law dealing with the Federal Trade Commission.

Last May, both the House and the Senate adopted resolutions disapproving an FTC regulation that would have required used car dealers to inform buyers of any known defects in the cars they purchase.

Challenge upheld

Two consumer groups challenged the congressional veto power, and the full appellate court agreed that it was unconstitutional.

Earlier, a three-judge panel in a different case had invalidated a law affecting an energy regulation agency that allowed a "one-house veto" through a resolution of disapproval passed by either the House or the Senate.

An immigration case involving the one-house veto, which originated in another appellate court, has been accepted for review by the Supreme Court.

The unanimous decision by the D.C. Circuit allowed the used car regulations to be put into effect, but the FTC said it doesn't plan to reinstate them as long as there is a possibility that the Supreme Court will eventually rule on the issue.

Congress has written some form of legislative veto into more than 100 laws. Court challenges have stressed the usurpation of Executive Branch functions by Congress and noted that resolutions disapproving regulations differ from laws in that they don't require a presidential signature.

Big contributor

Both the House and Senate voted by big margins to disapprove the disclosure requirements on used cars after a major lobbying campaign by the National Automobile Dealers Association, which has been a major contributor to congressional campaigns.

Consumers Union of the United States and Public Citizen brought the court challenge that led to the appellate court's 8-0 ruling.

Court rejects damage claim against striking fire fighters

Jackson, Tenn.—The Tennessee Supreme Court has knocked down an effort by a Memphis property owner to collect $1.8 million from the Fire Fighters and a local union for damages allegedly incurred during a 1978 strike.

By a 4-1 decision, the state's highest court ruled out the plaintiff's argument that because the work stoppage was allegedly "illegal," the city fire fighters and their union were "legally liable to private citizens for the inadequate rendition of municipal services."

Two of the complaints in the original suit had already been overturned by the state's court of appeals.

That court found that the plaintiff had no "enforceable rights" under a memorandum of understanding between the city of Memphis and Local 1784 of the Fire Fighters, an agreement that had expired four months before the 1978 strike action.

The appeals court had also found that the local union bore no liability "under principles of negligence" as a result of the strike action.

The state supreme court upheld these findings and went further, ruling that there were no possible grounds for a judgment that Local 1784's job action had constituted a "public nuisance" under the common law.

The complainant, Howard Fulenwider, said a fire that started in a shed the late evening of July 1, 1978, had spread to a commercial building he owned and burned for several hours.

His complaint charged that because of the srike, the Memphis Fire Dept. dispatched an "insufficient" number of trained men and equipment. There was no allegation that the striking fire fighters had tried to interfere with the department's response to the fire alarm.

"Secondary or incidental harm" caused as a byproduct of the work stoppage is not a basis for a claim of damages, the state supreme court declared in reversing the decision against Local 1784.

IAFF President John A. Gannon hailed the state supreme court's decision as "a major step to end harassment of fire fighters, and of other public employees, when collective bargaining breaks down and job actions result."

Much of this problem "could be constructively solved by adoption of fair collective bargaining laws covering fire fighters and other uniformed services in additional states," Gannon added. "The states that have passed these laws have freed themselves from a great deal of stress and turmoil," he said.

HRDI leaflets offer guidance on layoffs

Two new publications of the AFL-CIO's Human Resources Development Institute are designed to help workers and their unions hit by plant closings and heavy layoffs.

"Coping with a Closing: A Guide for Unions" tells local union leaders about Worker Assistance Workshops HRDI can help set up in cooperation with the union and AFL-CIO Community Service staff.

A companion publication, "Surviving Layoff," is designed to help individual workers in a search for new jobs. It discusses job-hunting techniques as well as services available to unemployed workers.

Copies of the two brochures are available from the AFL-CIO Human Resources Development Institute, 815 16th Street N.W., Washington, D.C. 20006.

ITF plans Polish boycott

Bremen, W. Germany—The executive board of International Transport Workers' Federation, representing 4.4 million workers in 83 countries, has called for a one-day worldwide boycott Nov. 10 in support of Polish workers.

The boycott coincides with the second anniversary of the registration of Poland's suspended Solidarity trade union by a Warsaw court.

The ITF boycott, which is viewed as a first step toward wider industrial action in support of Solidarity and its imprisoned leader, Lech Walesa, will be directed against all Polish aircraft and vessels going to or coming from Poland.

The trade union secretariat includes 14 U.S. affiliates. They are represented on the ITF board by President Thomas W. Gleason of the Longshoremen; John Peterpaul, vice president of the Machinists, and J. F. Otero, vice president of the Railway & Airline Clerks.

Houston Project marks 1st-year gains

Unions that joined with the AFL-CIO in mounting the Houston Organizing Project a year ago are committing funds and staff for a second year of the labor movement's most ambitious organizing effort.

The first-year record clearly justifies the Houston project's continuation, AFL-CIO Organization & Field Services Director Alan Kistler said.

He and Robert Comeaux, the project's coordinator, pointed to solid gains in the first 12 months of the campaign despite a wave of unemployment that hit Houston last spring and washed away some campaigns in progress.

There is no dearth of organizing targets in a Gulf Coast area that over the past two decades has grown faster than its trade union movement. And the organizing campaigns that have been put on by 30 cooperating unions have greatly increased the visibility of the labor movement in the boom city of the Sunbelt and the surrounding Gulf Coast area.

The long pull

"We are here for the long pull," AFL-CIO President Lane Kirkland told a Houston construction workers' rally last May. And that's been the theme of the labor effort that was brought into being on the recommendation of the AFL-CIO Executive Council's Standing Committee on Organization, headed by Steelworkers President Lloyd McBride.

The organization of some 5,000 workers in the program's first year is viewed as the initial step in turning around the "union-free" environment that the Houston area's business establishment has tried to create.

Early success

The construction industry was one of the early successes of the organizing campaign, although here, too, the business slump has taken its toll. But in the first six months of the organizing effort, close to 200 building contractors signed union contracts and the 12-month record is over 300 new contracts. While most of these have been relatively small operations, major areas of non-union construction are among current targets.

Manufacturing sector gains were achieved before the wave of recession layoffs, and a decertification move was rebuffed by the Steelworkers with the help of project organizers.

Companies that have proven most recession-proof and show signs of continued growth are the prime targets for the second year of the campaign.

Both the Teachers and the State, County & Municipal Employees have registered significant membership gains under the impetus of the coordinated organizing program. The Houston Federation of Teachers added 500 new members and signed up a record number of former members at the start of the school year. AFSCME posted big gains both among school district employees and in its city worker campaign.

Retail stores, barber shops, food stores and even a large dental unit have been organized by the Food & Commercial Workers.

The Service Employees and the Hotel & Restaurant Employees have begun a cooperative effort to organize more than 1,700 employees at Houston's Astrodome.

Campaigns are planned for office and service workers in the oil industry, at a major food chain and in hospital and health care facilities in Houston and nearby counties.

Organizers still make house calls, and in-plant committees are still vital to a campaign's success. But the cooperative program and the permanent AFL-CIO staff assigned to it are using new tools.

Research aids

The project's research department has come up with information on some 300 Houston area companies, including employment figures, NLRB histories and potential for organization. Its reports have been important aids in the selection of organizing targets.

Polling techniques have been used to measure employee attitudes toward their company. Thus a tentatively selected target company was dropped at one point in favor of a campaign that a poll indicated would be more promising. The result—a three-to-one union margin in an NLRB election.

Word processing technology provided data on a lagging hospital campaign showing that many of the employees who had signed authorization cards had not been personally contacted for nearly eight months.

And word processing has enabled mailings targeted to specific groups of workers and community leaders.

Legal services

Central legal services facilities provide participating unions with professional services on unfair labor practice charges, contract bargaining assistance and campaign literature review.

The Harris County AFL-CIO and other local central bodies in the six-county organizing area have been an integral part of the coordinated campaign. They have worked with the project's Community Relations Division in highly successful programs to strengthen labor's link with the black and Hispanic communities and with the religious groups. Leads developed in these cooperative activities, including voter registration campaigns, and through responses to labor's advertising programs have been especially helpful in selecting organizing targets.

Houston isn't yet a union town. But its labor movement is healthy and growing, Kistler stressed.

Connecticut labor shapes goals for state legislature

Hartford, Conn.—Delegates to the 26th annual Connecticut State AFL-CIO convention endorsed candidates in this year's state and federal elections and drew up a legislative program for the year ahead.

After a lively debate, the 560 delegates decided against an endorsement in the U.S. Senate race because of the pro-labor voting records of both the Republican incumbent Lowell Weicker, and his challenger, Rep. Toby Moffett. Both candidates addressed the convention.

House endorsements

Delegates endorsed the candidacies of three incumbent House members, all Democrats. They are Barbara Kennelly, 1st District; Sam Gejdenson, 2nd, and William Ratchford, 5th. Democratic candidates in three other districts also were endorsed—Bruce Morrison in the 3rd, John A. Phillips, 4th, and William Curry, Jr., 6th.

In the gubernatorial contest, the convention backed Democratic incumbent William O'Neill and his running mate, Lt. Gov. Joseph Fauliso.

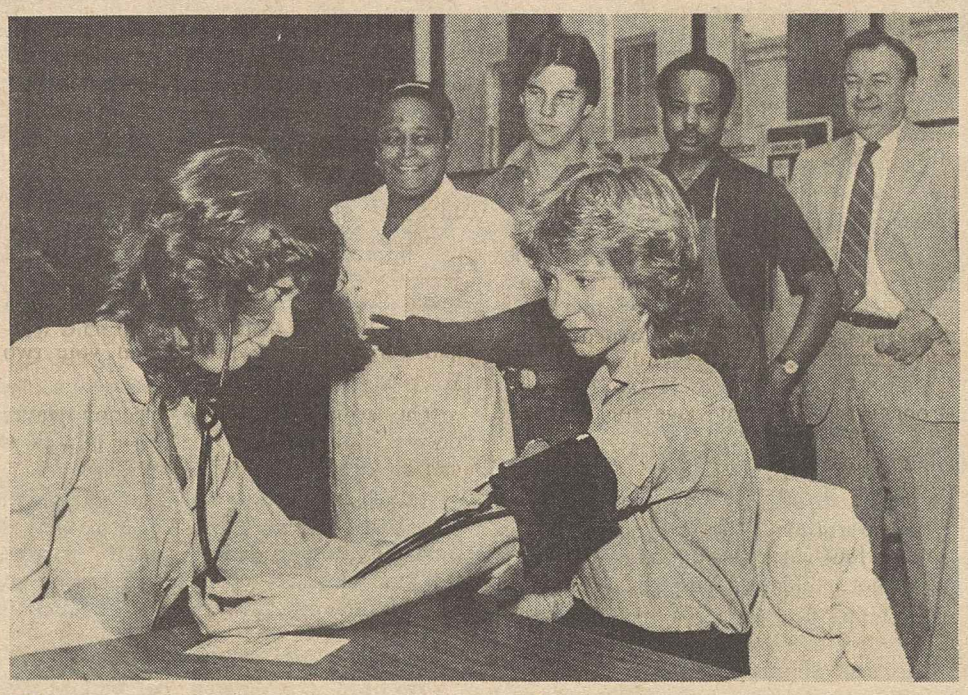
The principal resolutions adopted support AFL-CIO policy regarding the need for congressional action to turn around the national economy. Delegates denounced Reaganomics and the course charted by the Administration on taxes and the federal budget.

United effort

President Gerald McEntee of the State, County & Municipal Employees, a major convention speaker, spelled out the failure of the Reagan economic program and urged delegates to throw their energies into the campaign to elect a more responsive Congress.

National COPE Director John Perkins congratulated the delegates on the effectiveness of the state COPE program, and urging maximum effort in the Nov. 2 elections.

State AFL-CIO Sec.-Treas. Betty L. Tianti, who is also the organization's legislative agent, reported a relatively good year in the state legislature. No anti-labor bills were passed, she noted, while substantial improvements in the unemployment and workers' compensation laws were achieved. Another gain was passage of a "right to know" law expanding existing law to require employers to report to their workers on the use of some 400 hazardous materials in the workplace.



Low-pressure campaign

United Way campaign at AFL-CIO headquarters featured a health fair organized by the federation's Dept. of Community Services in cooperation with the United Way agencies. Here, American Red Cross nurse Nancy Wyss checks the blood pressure of Karen Ignagni. Waiting their turns are Mae Adkins, Brian Simpson, William Grigg and John McManus.

Rail supervisors to press checkoff for political fund

New Orleans—The 36th Convention of the Railway & Airway Supervisors, a division of the Railway & Airline Clerks, called on all subordinate lodges "to make every effort possible" to bring members under a checkoff system to support the BRAC political action and legislative programs, the Responsible Citizens Political League.

The resolution stressed that the RCPL is the "best vehicle available to members" to fight legislative and administrative challenges that seek to destroy the Railroad Retirement System and the National Railroad Adjustment Board, which rules on disputes in the railroad industry.

Supervisors' President Frank Ferlin pointed out the need for action on the political and legislative front in his keynote address to the 100 delegates and guests.

"Today, we are being pushed, as never before, just to maintain institutions in the railroad industry that it took many years to establish," he said. "What we have won through the legislative process we can lose by the same process, if we are not prepared to resist."

Ferlin and Executive Vice President-Sec. Edward Nadolny, the two top officers up for election, won new four-year terms without opposition. The union elects half its officers at each two-year convention.

The convention approved a constitutional change increasing dues for members paying directly to the national office from $15 to $20 per month. There was no action on per capita tax since that will be set by the BRAC convention in 1983.

In a wrap-up report to the delegates, Ferlin reported that ARASA membership had declined since the previous convention by about 1,000 members to a total of 7,000, despite the fact that membership on Republic Airlines had doubled.

He said merger with BRAC had enabled the organization to maintain an efficient and responsible operation and revealed that a "line" is being kept open with the Train Dispatchers for merger in the future.

Top BRAC officers addressing the three-day meeting included President Richard Kilroy, Sec.-Treas. D. A. Bobo and Vice President Thomas Fitzgibbon.

GOP gatecrasher falls flat before Wisconsin unions

LaCrosse, Wis.—Delegates to the Wisconsin AFL-CIO convention made their political preferences clear when they heartily endorsed a slate of Democratic candidates for state and federal offices and ejected the Republican candidate for governor, Terry Kohler, after he crashed the convention and tried to make a speech without an invitation.

Referring to Kohler's remark in a press interview that he would sign a "right-to-work" bill if one came to his desk as governor, State AFL-CIO President John Schmitt told the uninvited guest, "The National Right to Work Committee is not meeting here, it's the AFL-CIO."

He pointed out that the convention rules require proper credentials for entering the hall and ordered Kohler escorted out of the meeting room.

Schmitt later told reporters Kohler's gatecrashing was "a publicity stunt," and speculated on the reaction directors of Kohler's Vollrath Co. would have if union officials tried to walk in on them.

The more than 700 delegates at the four-day convention had already endorsed Anthony S. Earl, the Democratic candidate for governor, as well as Sen. William Proxmire, both of whom addressed the meeting. The Democratic candidates running in the state's nine congressional races were also endorsed.

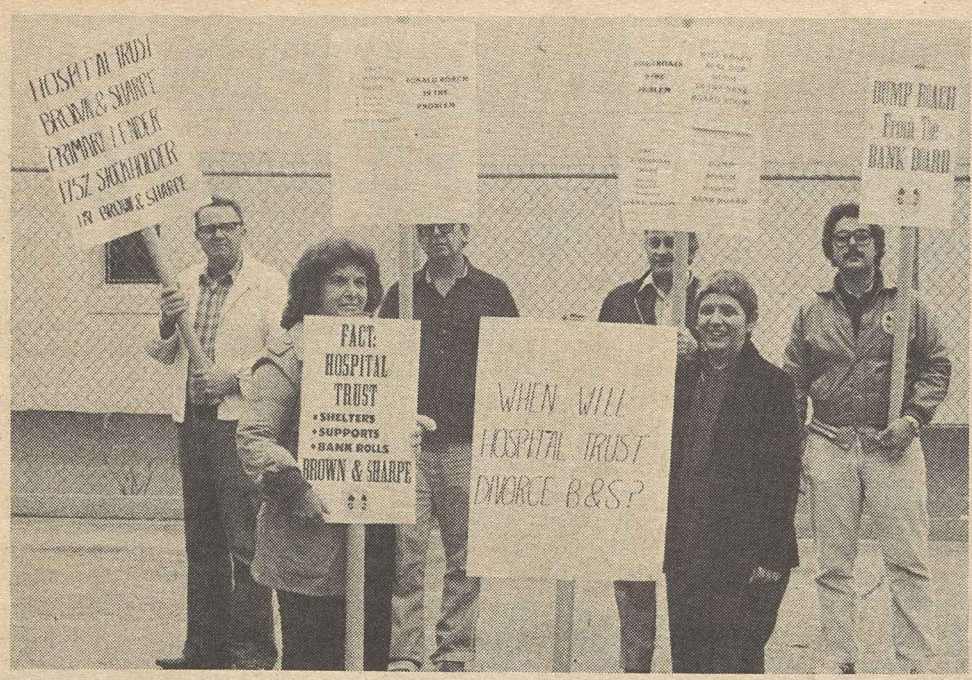
AFL-CIO Sec.-Treas. Thomas R. Donahue, urging delegates to all-out political action in the last weeks before Election Day, stressed that "the American labor movement is alive, well and tough" and resurging on an upswing that began on Solidarity Day 1981 in Washington.

That outpouring of opposition to the Reagan Administration's destructive policies, Donahue said, has been further fueled by soaring unemployment.

Other speakers at the meeting included Sen. Edward M. Kennedy (D-Mass.), Steelworkers Sec. Lynn R. Williams, AFL-CIO Education Director Dorothy Shields, State Sen. Paul Offner (D), 3rd District candidate for Congress, and Dr. Ralph Andreano, University of Wisconsin.

Schmitt, Sec.-Treas. Jack B. Riehl, and Executive Vice President Joseph Gruber were re-elected as the federation's officers.

The convention also dealt with more than 80 resolutions covering a wide range of legislative, economic and social issues.



As long as it takes

Striking machinists at Brown & Sharpe Mfg. Co., Providence, R.I., are cheered by twice-weekly picket line appearances of Albina Shears, right, in memory of her husband who died Aug. 28. Jerome Shears had been a member of IAM District 64 whose locals were forced to strike the precision tool manufacturer on Oct. 18, 1981. Mrs. Shears also participates in informational picketing at Rhode Island Hospital Trust Bank, a major backer of B&S, and says she will take her husband's place on the lines "as long as it takes to win justice." Until recently she marched with her sister, Pauline Roberti, left, also a B&S striker, who is now recuperating from a heart attack.

Unions in U.S., Japan look at potential for cooperation

Tokyo—Representatives of the AFL-CIO and Domei, the Japanese Confederation of Labor, agreed to pursue economic, political, and social goals in cooperation with international organizations where they work together to improve the position of working people.

At the 14th annual meeting of the two organizations here, they drew up a set of priorities which included:

- Attainment of higher employment through rejection of monetarist policies and high interest rates.
- Striving to reach full employment and lower inflation levels through a tripartite program of national and international accords involving labor, management and government.
- Seeking increased government investment to revitalize the world economy.
- Bilateral consultations prior to participation in international conferences and achievement of mutual agreements to lead to reduction of trade restrictions.

Mutual goals

"This would permit Domei to advocate to the Japanese government and industry a policy of restriction of exports, the execution of positive steps toward the development of domestic markets permitting additional imports, and the increase of capital investments in the United States," a joint statement noted.

- Agreement that foreign capital investments of Japanese and Americans must not result in exploitation of workers in the respective countries. The AFL-CIO and Domei also expressed deep concern over worker exploitation in the developing countries.
- Continuing study of the problems brought about by advances in technology, such as developments in robots and microelectronics.

Representing the AFL-CIO at the meeting were Irving Brown, director of the Dept. of International Affairs; Richard W. Cordtz, secretary-treasurer of the Service Employees; Wayne E. Glenn, president of the Paperworkers, and Morris Palladino, executive director of the Asian-American Free Labor Institute.

During their discussions, the two groups examined the situation in Poland, where workers are being denied basic trade union rights, and problems elsewhere in the world.

Accord on Poland

The AFL-CIO and Domei agreed that the U.S. and Japanese governments should press the Polish government to restore the Solidarity trade union along the lines of the 1980 Gdansk agreement allowing greater worker freedoms.

There was also agreement on the need to strengthen the role of the International Confederation of Free Trade Unions in the International Labor Organization to bring about a greater observance and enforcement of the international conventions and recommendations on trade union rights.

Nevada delegates press final drive to get out vote

Las Vegas, Nev.—A strong get-out-the-vote effort for the Nov. 2 elections was the rallying point of the Nevada AFL-CIO convention.

Delegates pledged support for stepped-up political activity stressing the need to maintain momentum generated in the state primary elections in which 91 percent of COPE-endorsed candidates were victorious. Union efforts helped raise voter registration 10 percent over 1980.

The convention reaffirmed labor's endorsement of candidates for congressional and key state seats—all Democrats—including U.S. Sen. Howard W. Cannon, who is seeking a fifth term; state Atty. Gen. Richard H. Bryan, who hopes to unseat Republican Gov. Robert F. List, and House candidates Harry Reid in the 1st District and Mary Gojack in the 2nd District.

In drafting labor's agenda for the coming session of the state legislature, the 168 delegates called for renewed efforts to have tip money of hotel, restaurant and other service workers credited toward unemployment benefits and workers' compensation. The state federation pointed out that if workers are required to pay income tax on tips, that income should also be counted towards entitlement programs. The measure was narrowly defeated in the last session of the legislature.

State AFL-CIO President Mark Tully Massagli was re-elected to his second full three-year term by aclamation. The four vice presidents were also re-elected without opposition. Executive Sec.Treas. Claude Evans is in mid-term.

Convention speakers, in addition to the labor-endorsed candidates, included National COPE Director John Perkins and Director Alan Kistler of the federation's Dept. of Organization & Field Services.

At cement union convention

Election result linked to economic rebound

St. Paul, Minn.—The Cement, Lime & Gypsum Workers will "stay the course" at the bargaining table and on the picket line when necessary, but will work to "change the course" that has plunged the United States and Canada into recession.

The meld of trade union and political issues was the focus of the union's 21st biennial convention, which brought together delegates representing 32,000 members in 300 U.S. and Canadian locals.

AFL-CIO Sec.-Treas. Thomas R. Donahue urged the U.S. delegates to make their local COPE headquarters the first stop on their return home.

"Volunteer," he urged. "Stuff envelopes for that last mailing in the few days left to us. Use that phone—to every friend, neighbor and trade unionist you know."

Titanic's course

The Reagan Administration's "course," Donahue suggested, is the course taken by such "great leaders of the past as the captain of the Titanic, the leader of the Charge of the Light Brigade, General Custer at Little Big Horn and Herbert Hoover."

Donahue, CLGW President Thomas F. Miechur and other speakers from the podium and from the floor spoke with admiration of the union members at the Kosmos Cement Co. in Kentucky who have been on strike for more than a year. Both Donahue and AFL-CIO President Lane Kirkland have marched on the Kosmos picket line, and the company's products are on the AFL-CIO boycott list.

Maurice Greer, financial secretary of the Kosmos local and Patsy Burrell, president of Women's Awareness, spoke to the convention of the solidarity of the strikers and their families. Women's Awareness is made up of wives and of strikers of other family members who are publicizing the boycott. The convention delegates contributed more than $3,200, which the international union will match, so that the children of the strikers will have a good Christmas.

Miechur, who was re-elected along with Sec.-Treas. Richard A. Northrip and all other incumbent officers, cited "progress in almost all areas of activity" by the union over the past two years.

Coordinated bargaining

He said coordinated bargaining programs again proved their value, noted the participation of more than 600 union leaders and staff in labor educational programs over the two years, and cited increased emphasis on job safety and health with the help of Labor Dept. "New Directions" grants.

There must be "equal opportunity" and there must be "full opportunity—jobs for all," Miechur stressed.

Delegates voted to retain the present two-year convention interval, rejecting proposals for three and four-year conventions. Canadian Labor Congress Sec.-Treas. Donald Montgomery said lower interest rates are essential to a housing and building construction revival that is needed to bring the economy out of recession.

Economic growth, not bargaining concessions, is the path to recovery, he suggested.

Other speakers included Minnesota AFL-CIO President David K. Roe, St. Paul AFL-CIO President Jerry Scribner, Bricklayers Executive Vice President Louis Weir, Executive Sec. Howard Chester of the Stone, Glass & Clay Coordinating Committee, and David McIlwain, national representative of the AFL-CIO Union Label & Service Trades Dept.

Donahue's address to the convention also emphasized labor's grass roots lobbying efforts, climaxed this year by the rejection in the House of the proposed balanced budget amendment to the Constitution.

"That one was a victory for trade unionists across the country," Donahue stressed.

"Legislators heard from you, and they responded."

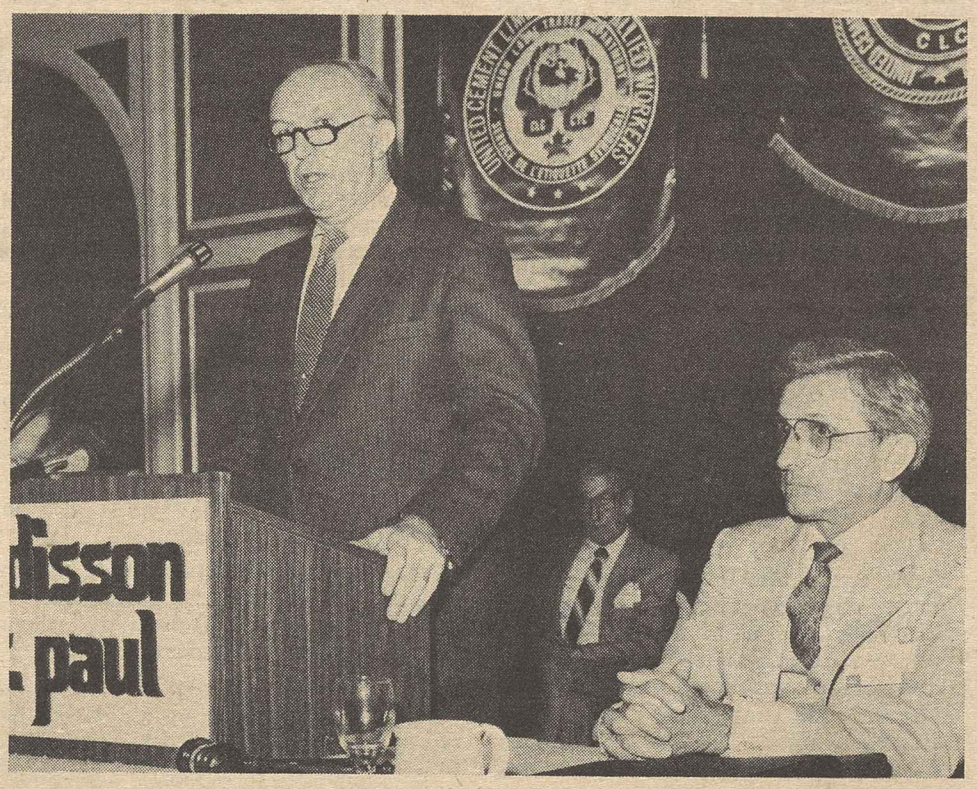
Workers return at Iowa Beef but boycott continues

Dakota City, Neb.—Union members returned to work but a boycott of Iowa Beef Processors will be continued and intensified, the Food & Commercial Workers said.

The union's unfair labor practice charges against the company—including an assertion of failure to bargain in good faith—were adopted in a complaint issued by the National Labor Relations Board's acting regional director in Kansas City.

UFCW Vice President Thomas Russow said the union made its offer to return immediately rather than wait until the conclusion of the NLRB hearings before an administrative law judge. The company has put nearly 1,300 returning union members back to work. They had been on strike for 16 weeks.

Iowa Beef had recruited strikebreakers in other cities at rates $2-an-hour less than the starting rate under the expired union contract. Returning union members will be paid their old rate. A key issue in the dispute had been the company's demand for a four-year wage freeze. The union had agreed to a two-year freeze.



AFL-CIO Sec.-Treas. Donahue addresses Cement Union convention. CLGW President Thomas Miechur is at right.

EDITORIALS

For Jobs and Justice

OUR AIM IS to elect a Congress that will cure the sickness of Reaganomics and get this country back on the road to economic health and vigor.

We have plenty of walking and talking and organizing and educating to do before election day.

We have to point out to every voter we can reach what this election is all about.

It's about hardship. It's about housing. It's about the education of the young and the health and dignity of the old.

It's about taking from the poor to give to the rich. Above all, it's about jobs.

This Administration and its supporters on Capitol Hill do not care to talk about jobs. They do not picture unemployed people as real people at all; they are just "lagging indicators" on the march to prosperity.

Prosperity when? Prosperity for whom? What will be left for ordinary people to build on by the time Reaganomics runs its course?

"Stay the course," we are told. But we are not too blind to see that only a change in course can prevent shipwreck.

Nobody who works for a living—and nobody who wants to work and needs to work and can find no work—can afford to sit back, let others do the deciding and voting, and wait to see how it all comes out.

THIS ELECTION is, once again, a test between plain people and their perception of their own interests and the power of big money.

The money men have written off the votes of 11 million unemployed people, just as they have written off their jobs. The market researchers and the syndicated wise men say that unemployed people don't vote.

But we don't believe that. We believe that millions of people who have never been unemployed in their lives have not subsided into apathy. They will turn out in righteous indignation and in the true conviction that nothing is more important now than to vote, and to persuade others to vote, for jobs and justice.

That is an agenda for everybody who works for a living—and everybody who wants to work and needs to work and can find no work to do. For the retired worker and the youngster still seeking his first job. For the employed and the unemployed.

Let there be no "discouraged workers" in our ranks. This is a time for hope and a time for action that will not come again for two years. Let's make the most of it.

—From AFL-CIO President Lane Kirkland's remarks at San Francisco's Jobs and Justice March, Oct. 24, 1982.

For All Brave People

THE TWO GREAT South Africans who were joint recipients of this year's George Meany Award—Mangosuthu Gatsha Buthelezi and the martyred Neil Aggett—stand for all the brave people, black and white, who have resisted oppression at great personal risk.

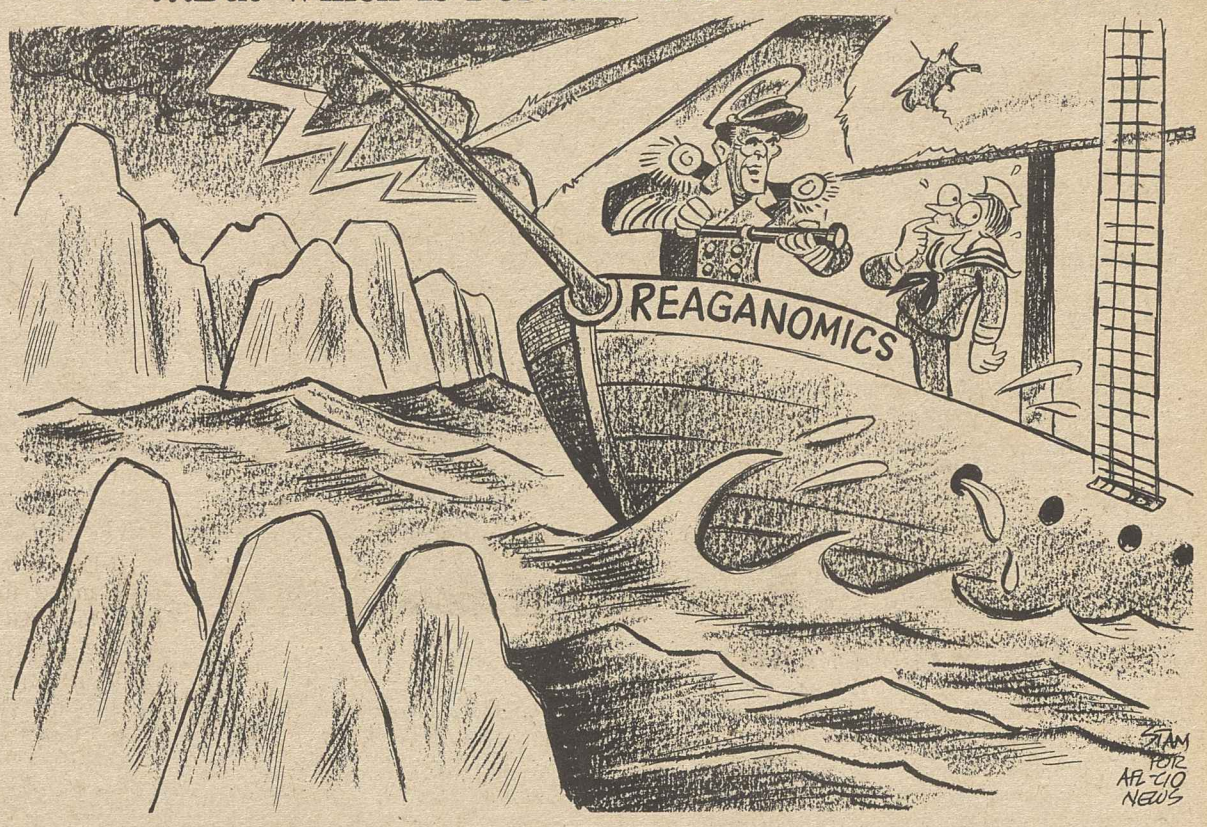
The first recipient of the George Meany Award was Poland's free trade union, Solidarity. But the award was never formally presented.

Lech Walesa was to have accepted it on Solidarity's behalf. But freedom is too contagious for a totalitarian government to let loose, and the publication date of this issue will mark Day 321 of Walesa's imprisonment.

South Africa's Neil Aggett, a white who helped build a black trade union, died in the South African prison where he had been held without charges.

But South Africa's apartheid government is learning, as are the Communist puppet rulers of Poland, that you can't imprison the human spirit.

'...But Which Is Port and Which Is Starboard?'



Washington Window

Reagan's 'course' heads nation toward disaster

By Press Associates, Inc.

A recurring theme of Reagan rhetoric this year has been that the United States should "stay the course" because there is no viable alternative to Reaganomics.

Tacked onto this claim is the assertion that past economic policies have failed miserably. The policies of previous GOP administrations aren't mentioned in the partisan swipes at "free-spending" Democrats.

While Congress was in its election recess, the congressional Joint Economic Committee (JEC) used the legislative hiatus to examine economic alternatives, with the focus on unemployment.

It's been said that it's hard to find two economists who agree on anything. But the five economists and former public officials who testified before the JEC during a day of hearings found themselves in agreement on several basic points. None proposed to "stay the course."

Blue ribbon panel

Those who testified included Walter Heller, an economics professor who chaired the Council of Economic Advisers under President Kennedy; Ray Marshall, Labor Secretary under President Carter who now heads the National Policy Exchange, an economic research organization; John Kenneth Galbraith, a Harvard economist; Robert Eisner, an economics professor at Northwestern University, and Willard Wirtz, Labor Secretary under Presidents Kennedy and Johnson, who now chairs the National Institute for Work & Learning.

● Reaganomics, or supply-side economics, is a far-fetched theory which has proven to be as unworkable as it is unfair. Its combination of huge tax cuts for the rich, big hikes in military spending at the expense of social needs, and a tight-money policy has produced the worst economic conditions since the Great Depression. Unless these policies are reversed, unemployment will remain at current high levels for months to come. Worse still, a full-scale depression could result.

● The Federal Reserve Board's loosening of its tight-money grip since July—a move aimed at forestalling an economic disaster—is welcome. But the Fed must go further to tailor its policies, on a lasting basis, toward lower interest rates and economic growth. "Real" interest rates must come down much further if there is to be a strong and sustained recovery.

● Although the economic policies of previous administrations, Democratic and Republican, left much to be desired, at least they didn't produce what Reaganomics has given us—double-digit unemployment.

● Swelling the ranks of the unemployed is the most inefficient and economically destructive way to reduce inflation, to say nothing of the cruel social consequences. To reduce inflation by a single percentage point, it is necessary to increase unemployment by one million for two years—at a $200-billion cost to national output and a $60-billion increase in the federal deficit.

● The road to increased productivity, lower inflation, reduced deficits and economic health is a comprehensive program aimed at achieving full employment. This cannot be achieved by Reagan's unfettered "free market."

Government, in cooperation with business and labor, must play an active role in restoring the deteriorating public infrastructure, in reindustrialization efforts to keep America competitive, and in job training programs for unemployed and dislocated workers.

And full employment doesn't mean a long-range goal of 6.5 percent, recently espoused by Treasury Sec. Donald Regan.

It means, as Marshall put it, "a meaningful job for every person able to work."

AFL-CIO news

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* deceased

$400 million settles postal backpay case

Continued from Page 1

the Postal Service and approved by U.S. District Judge Aubrey E. Robinson, Jr.

It includes payments for some claims that were still being litigated, so many of the persons who shared the $60 million award will receive additional amounts from the new settlement.

The Labor Dept. suit charged the Postal Service with:

- Failure to include wage premiums such as night shift and Sunday differentials in calculating employees' regular rates of pay. This resulted in underpayment of overtime.
- Failure to compensate employees for worktime exceeding 40 hours a week in conditions where employees were expected or allowed to work longer hours but were not paid for them because the overtime had not been authorized in advance. Examples would be a letter carrier delayed in completing a route by bad weather or an unusually heavy load, or a window clerk serving people in line at closing time.
- Failure to pay workers for required training or for study time in memorizing postal "schemes" to meet the requirement of the job.

Most workers affected by the settlement will receive either $6.30 or $7.35, depending on job classification, for each two-week pay period worked between May 1974 and May 1978.

Former employees with service during that period have been asked to check with their last place of employment at the Postal Service to determine their eligibility.

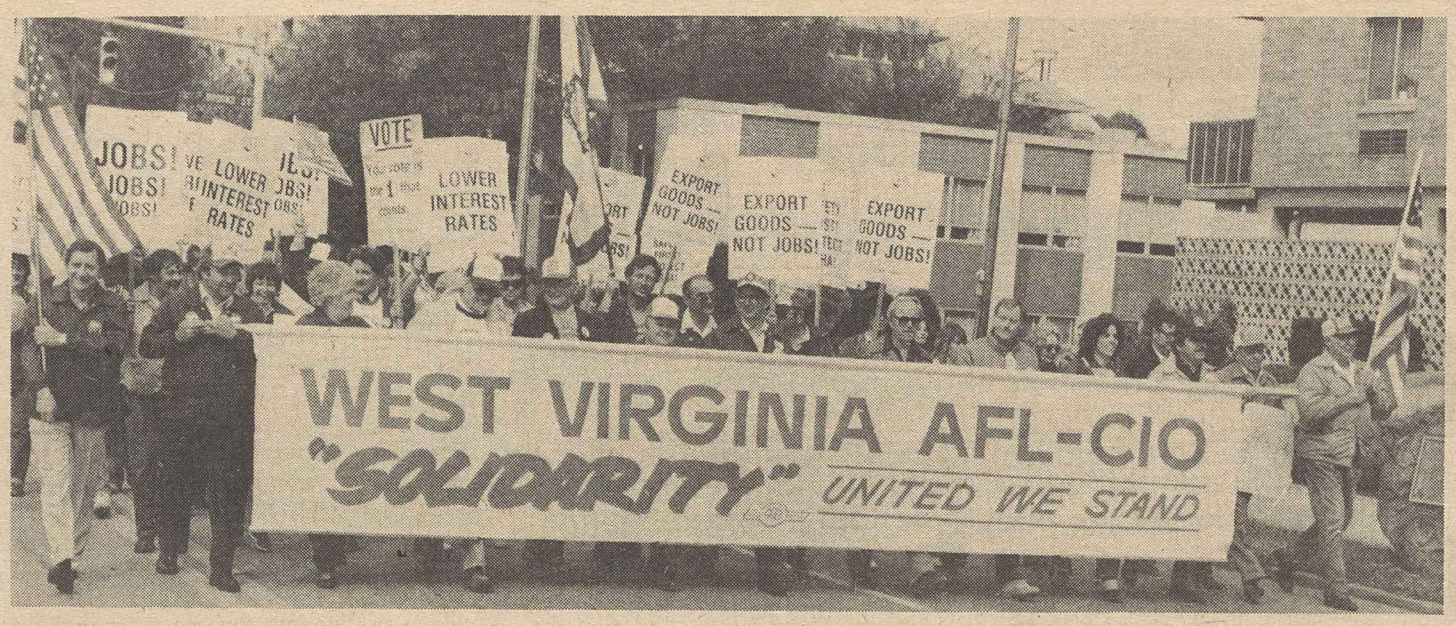
Labor history reprint, steward guide offered

Two new booklets are available from the AFL-CIO—one a guide for shop stewards of federal employee unions and the other a brief history on the first century of the federation.

The 88-page Manual for Federal Employees, AFL-CIO Publication No. 138, provides a wide range of information to help unions better represent members.

The 40-page One Hundred Years of American Labor—1881-1981, AFL-CIO Publication No. 157, is a compilation of articles that appeared in the American Federationist magazine last year.

Copies of both booklets are available at $1 each or 75 cents each in lots of 100 or more from the AFL-CIO Pamphlet Division, 815 16th St., N.W., Washington, D.C. 20006.



March with a message

West Virginia workers turned out 5,000 strong for a march through downtown Charleston to the steps of the state capitol and the largest labor rally ever held in the state. West Virginia Solidarity Day was organized by the State AFL-CIO around twin themes of encouraging voters to turn out for Election Day—"Solidarity Day II"—and protesting the Reagan Administration's economic policies that have led to high unemployment and recession while cutting back programs that benefit working people.

UAW members at Chrysler vote to remain on job

Detroit—The Auto Workers voted overwhelmingly to stay on the job at Chrysler, working under a contract that expired Sept. 14, and to resume negotiations after the Christmas holidays in hopes of reaching agreement on pay raises.

The Chrysler workers rejected a tentative pact reached earlier this month because it did not contain immediate wage increases. In balloting this week, they had two options. One was to strike the company. The other was to continue working under the old contract.

Looking ahead to talks that will start next January, UAW President Douglas Fraser told reporters: "I think we still can do better than we did in September, even if the economy does not improve. Down the road, as the economy improves, Chrysler workers have to receive a greater share of equity."

In the last three years, Chrysler workers have given up over $1 billion in cuts in pay and benefits to help the financially troubled auto maker. Recently, Chrysler has improved its position in the market, although car sales have been slow.

Chrysler workers have not had a wage increase in two years. Their current average pay is about $2.60-an-hour less than that of their counterparts at General Motors and Ford.

The American auto industry has been in a state of virtual depression for years.

Capital Cable boycott ended as CWA negotiates contract

Austin, Tex. — The Communications Workers lifted the union's boycott of Capital Cable Co. here after reaching an agreement with the company that ended a year-long dispute embittered by the presence of a union-busting consultant.

Delegates to CWA's convention in July had voted to press a boycott of the cable company owned by Time, Inc., after nearly a year of negotiations and an eight-month strike failed to produce an agreement.

In August, the AFL-CIO Executive Council also issued a statement strongly condemning the failure of the company, now known as Austin Cablevision, to bargain in good faith with its employees.

The council pointed out that after the company was acquired by Time, Inc., ten years of stable bargaining relations with the union were "scrapped" and the introduction of an Atlanta-based union-busting law firm "and other management tactics" indicated that the company's intentions were to destroy the union.

The CWA and AFL-CIO actions were credited by CWA Vice President Paul Gray, who spearheaded the negotiations, with finally bringing the company back to the bargaining table.

The agreement, reached Oct. 20, was "overwhelmingly" ratified by the employees, Gray said.

The new contract will run until July 31, 1985. Under its terms, workers will get wage hikes ranging from 3 to 7.5 percent on Aug. 1, 1983, and Aug. 1, 1984. The company had unilaterally put in effect increases of 12 and 11 percent on Aug. 1, 1981, and Aug. 1, 1982.

Employees will now be covered by a pension plan for the first time, and the health and life insurance programs were also improved.

Sick leave was improved from nine days to up to 65 days annually, and the company's employees will now receive free cable television in their homes.

"Contracting out" of jobs had been a major issue in the negotiations, and the company's employees won a guarantee that all 117 full-time bargaining unit jobs will be filled before work is contracted out.

Buying power of workers' pay continues to drop

Consumer prices continued to moderate in September as the Reagan Recession cut into both earning power and spending ability of American families.

The Bureau of Labor Statistics reported that a rise of two-tenths of 1 percent in its monthly consumer price index, combined with a drop of one-tenth of 1 percent in average weekly earnings in September, left "real," or inflation-adjusted, weekly earnings down three-tenths of 1 percent.

Over the last 12 months, real weekly earnings have fallen nine-tenths of 1 percent. While gross weekly pay for the average factory worker last month averaged $268.66 in current dollars, pay in constant 1977 dollars averaged $166.87 a week. This compares with $168.05 a year earlier.

BLS said the latest monthly increase in retail prices lifted the CPI 4.9 percent above the year-earlier level. The index rose by three-tenths of 1 percent in August.

The price moderation occurred despite a firming of overall food prices that showed their first increase in three months —five-tenths of 1 percent. And new car prices rose two-tenths of 1 percent, despite price cutting by auto makers intended to move an unusually large amount of unsold 1982 models.

The housing component of the index declined two-tenths of 1 percent. Within that category, home financing costs were down 1.8 percent, mortgage costs alone were down four-tenths of 1 percent, and house prices were off four-tenths of 1 percent. Rents increased by four-tenths of 1 percent.

Prices in most other categories were roughly about the same as in August.

NLRB complaint blames football owners

National Football League owners violated federal labor law by refusing to bargain in good faith with the players' union, the National Labor Relations Board general counsel said in a formal complaint issued in New York.

The complaint specifically charges that the six-week strike by the National Football League Players Association "was caused and has been prolonged by the unfair labor practices of respondents"—the NFL management council.

Charges filed

The complaint is based on a series of charges initiated by the NFLPA dating back to February, when negotiations began on a new contract. The union's old contract with the league expired in July.

In the complaint, NLRB General Counsel William Lubbers accused the owners' management council of failing to provide the union with information essential to bargaining, changing working conditions without consulting the union, coercing players and interfering with their rights, as well as attempting to bypass the union in dealing with individual players.

At the same time, Lubbers rejected a charge by the management council that the union also had engaged in bad-faith bargaining.

A trial on the complaint filed by NLRB Regional Director Daniel Silverman will open Nov. 15 before an administrative law judge, who is still to be designated. In this process, a hearing usually lasts about one week and it takes three to four weeks before a ruling is issued. But that decision then can be appealed to the NLRB.

The filing had an immediate impact on stalled negotiations. Within hours after the NLRB regional action on Oct. 27, the NFL management council responded to the union's repeated calls for a resumption of talks.

Mediator Sam Kagel alerted both parties that negotiations would reopen in New York on Oct. 30.

The parties had met for mediated discussions in Cockeysville, Md., for 12 straight days before Kagel called a recess on Oct. 23. He cited a lack of progress on major economic issues in the contract dispute, and urged both sides to reassess their positions.

The day after talks had been recessed, player representatives from all 28 teams voted unanimously to reaffirm the bargaining goals the NFLPA has been pursuing since August. Sitting in on the meeting were 60 additional NFLPA members who came to voice their views on the strike. An expression of solid support for the union's position resulted from the eight hours of discussions, NFLPA President Gene Upshaw reported.

The resolution they adopted calls on owners to fully address the union's primary objectives as essential to a settlement. They are:

- Immediate substantial wage increases for virtually all players.
- A guarantee of a fair share for players of future NFL revenues.
- Elimination of wage inequities.
- Elimination of incentives to cut older players for financial reasons.
- A system of significant incentives to reward player performance.

The union has called for creation of a trust fund based largely on the league's lucrative television revenues to finance payment of a wage scale and performance bonuses. The owners will collect $2.1 billion over the next five years from contracts with the TV networks.

Meanwhile, the league has cancelled the sixth weekend of scheduled games.

AFL-CIO news

SATURDAY
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Election conveys clear message to Reagan for change in policies

Democratic Governor-elect Mario Cuomo is joined by his wife Matilda in thanking supporters at a victory celebration in New York.

Voters stress job concerns, rebuff conservative appeals

By David L. Perlman

Americans sent a "change the course" message to President Reagan in an election that broke a conservative coalition's domination of the House and sent an unmistakable warning to the Republican Senate.

Polls taken at voting places identified unemployment and fears of social security cutbacks as the two most-cited concerns, and the ballot results reflect this.

An indicated pickup of 26 House seats will give Democrats more than a 100-vote majority in the new 98th Congress—269 Democrats and 166 Republicans. For the first time, President Reagan will have to negotiate with a branch of Congress effectively controlled by the opposition party.

In the Senate, where Republicans won only 13 of the 33 seats at stake this year, 41 holdover Republican senators who did not have to face the voters will prevent party control from switching to the Democrats. But the vote tallies in the 33 Senate contests sent the same message of discontent with Reaganomics.

Polls by television networks that found union members supporting Democratic congressional candidates by 2-to-1 margins were on the mark, COPE Director John Perkins said. "Without a doubt, unemployment was the principal issue."

AFL-CIO Legislative Director Ray Denison termed the election outcome "a clear call" for a change in national economic policy.

"We look forward to working with the new Congress to create jobs, protect social security and return the federal government to its constitutional role of providing for the general welfare," he said.

House

The pattern of Democratic gains and Republican losses in House seats was reflected in every section of the country, but the message sent by voters was loudest in the recession-ravaged industrial states of the East and Midwest.

It comes through clearest when looked at in tandem with the impact of reapportionment that wiped out nine House seats in the East and eliminated seven congressional districts in the lower Midwest.

The pre-election view was that the party losing the fewest seats in the two regions could claim victory. As it turned out, Republicans took the losses of reapportionment—and then lost additional seats to Democrats.

The Midwest region had sent 55 Democrats and 55 Republicans to the House in the outgoing Congress. In the new Con-

Continued on Page 3

Senate

Democrats won 20 of the 33 Senate seats up for election this year and came out ahead in what at first glance would appear to be an even tradeoff involving four seats.

The Senate remains under Republican control for the next two years, but the opposition to Reagan Administration economic policies has been strengthened by the election outcome. Most Republican incumbents won narrowly; most Democrats won big.

Democrats ousted a Republican conservative in New Mexico and captured a Republican-held seat in New Jersey. They re-elected 18 incumbents, including all but one of the senators who were targets of an avalanche of negative television advertising by the National Conservative Political Action Committee.

Continued on Page 4

Springboard for 1984

Democrats rout GOP in governorship races

By James M. Shevis

A growing public restlessness over the economy, along with nagging local issues, combined to give Democrats a net gain of at least seven governorships in the Nov. 2 elections and a strong grass-roots base for a run at the White House in 1984.

With all but one of this year's 36 gubernatorial contests decided, the new lineup of governorships in the 50 states favored the Democrats, 34 to 15. The lead could go to 35, depending on the outcome of the extremely tight race in Illinois between Republican Gov. James R. Thompson and Democratic challenger Adlai Stevenson III.

Going into the elections, Democrats held 27 statehouses to the Republicans' 23. Twenty of the 36 governorships up this year were held by Democrats. Each party held seven of the 14 uncontested seats. Thirteen of the 14 Democratic incumbents won re-election while five of the 10 GOP incumbents—excluding Thompson in Illinois—were elected to new terms.

The new lineup rivals the Democrats' post-Watergate dominance of state capitals in 1978, when they held 37 governorships, the Republicans 12, and an independent 1.

The troubled national economy, bringing high unemployment and other social disruption to most states, particularly in the Midwest, made Reaganomics the central issue in a number of contests.

Pocketbook issues

In others, local pocketbook issues were deciding factors as in New Hampshire where incumbent Democratic Gov. Hugh Gallen would not promise to keep the state free of sales or income taxes and lost out to John H. Sununu, a former GOP state representative, who did "take the pledge."

Much of the Alaska campaign between Democrat Bill Sheffield and former state House Speaker Thomas Fink focused on a proposal to move the capital from Juneau to near Anchorage. Fink, who backed the move, lost. In Kansas, Gov. John Carlin (D) was re-elected on a campaign for a new state severance tax.

When all the votes were counted, Democrats had wrested statehouses held by Republicans in Ohio, Texas, Arkansas, Nebraska, Minnesota, Michigan, Nevada, Wisconsin, and Alaska, while losing control only in California and New Hampshire.

The Illinois race see-sawed back and forth even two days after the election but, as the AFL-CIO News went to press, Stevenson held a slight edge over Thompson, the Republican incumbent. Both sides

Continued on Page 5

Benefit cuts would bypass Social Security Commission

The Reagan Administration would be guilty of "bad faith" if it put together proposals for cutting back social security benefits before getting the recommendations of a bipartisan advisory committee, AFL-CIO President Lane Kirkland said.

Kirkland referred to a newspaper report of benefit cuts the Administration will propose to Congress if the National Commission on Social Security Reform doesn't come up with recommendations that are to the Administration's liking.

Ten of the 15 commission members were chosen by President Reagan or Republican congressional leaders. Only five, including Kirkland, were nominated by Democratic leaders in Congress. But despite the imbalance, Administration officials were reported fearful that the bipartisan panel will propose measures to shore up the social security system's financing instead of cutting back on benefits.

The national newspaper USA Today reported that documents being circulated by the Treasury Dept., the Council of Economic Advisers and the Office of Management & Budget propose to lower social security costs by raising the retirement age at which workers become eligible for benefits and reducing the cost-of-living protections.

Kirkland said he agreed to serve on the national commission because the AFL-CIO supports efforts to strengthen the financial stability of the social security system and safeguard its basic protections.

But if the Administration is in fact committed to reducing benefits rather than

Continued on Page 5

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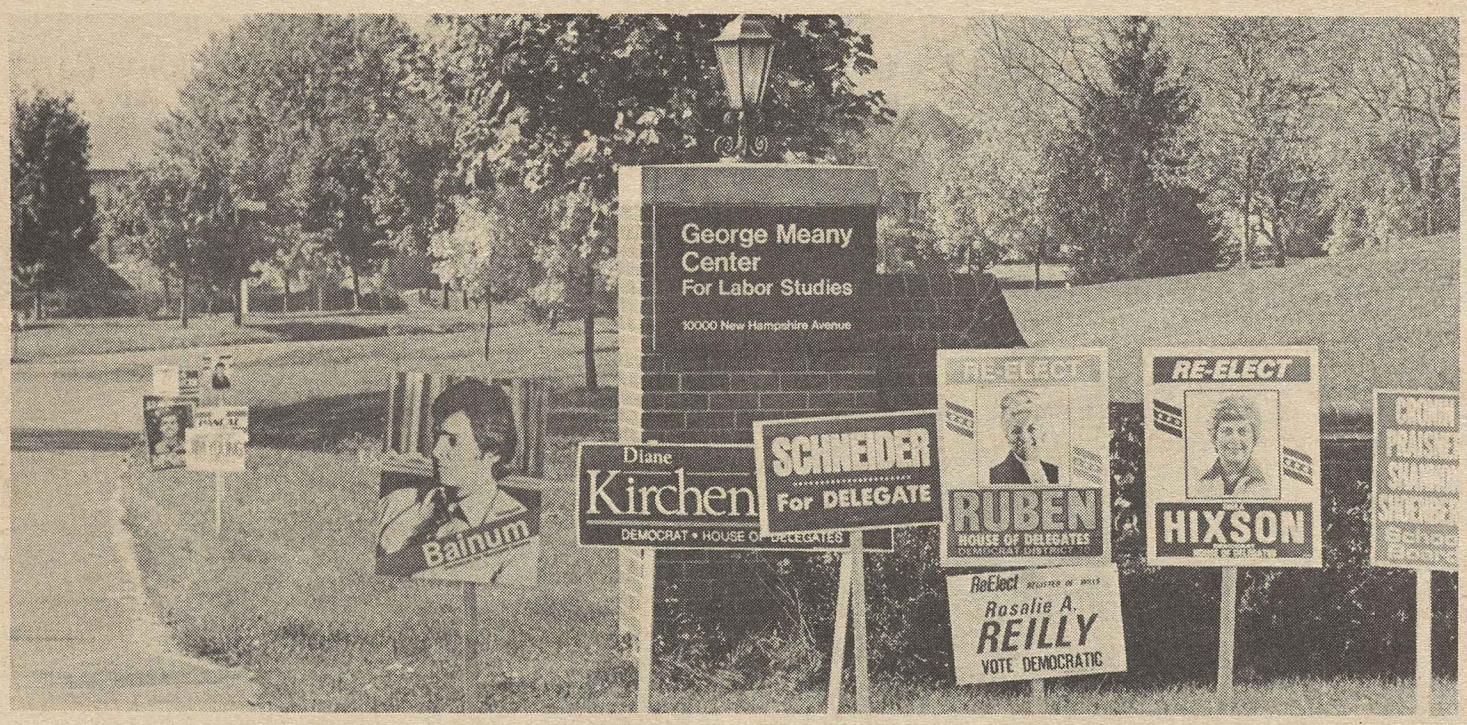
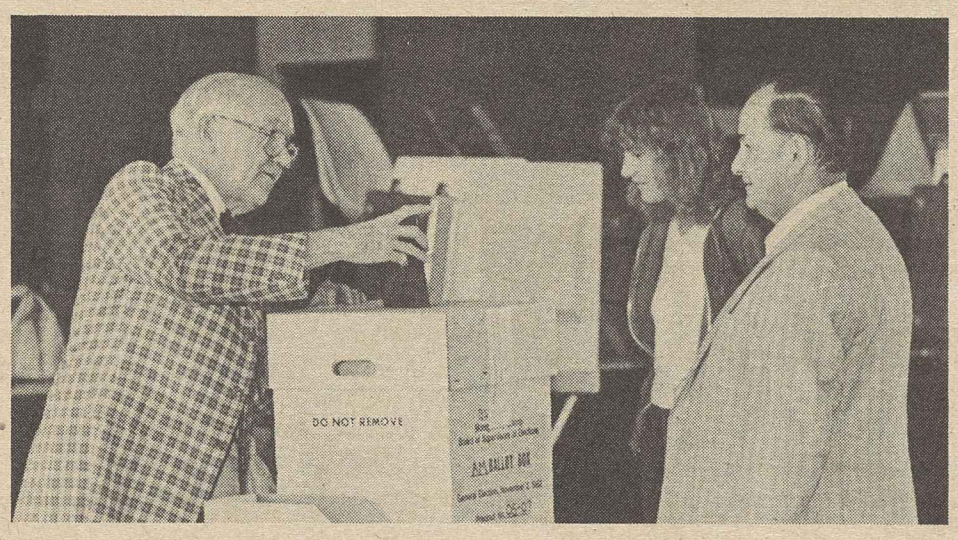


Electioneering

Campaign posters greeted voters coming to cast ballots on Nov. 2 at the George Meany Center for Labor Studies. The campus auditorium has been used as a polling station for a Silver Spring, Md., precinct since 1980. Polling officials reported a heavier-than-usual turnout for an off-year election.



Energy group warns gas heat cutoffs to rise

More than 300,000 American households will have their gas heat shut off this winter because they cannot pay their bills, the Citizen/Labor Energy Coalition (CLEC) predicted in a new study.

"It won't be just the poorest people who will lose their heat this winter," said William R. Hutton, a CLEC officer and executive director of the National Council of Senior Citizens.

"As the recession deepens and as natural gas price increases continue, the working poor, senior citizens and the growing number of unemployed all face the terror of winter days without heat," said Hutton.

He added that "the situation is especially tragic for children and older Americans, who risk serious illness or even death by accidental hypothermia if their heat is cut off."

Grass-roots lobby

CLEC, a national coalition of over 200 labor, senior, consumer and community groups, has been working with the AFL-CIO in a grass-roots education and lobbying campaign to maintain wellhead price controls on natural gas. Under 1978 legislation, price controls on about half the nation's natural gas are being phased out by 1985.

CLEC Executive Director Robert M. Brandon said the immediate solution to the problem of shutoffs is "for states to order reconnections for those currently shut off, and for those states without bans on winter shutoffs to institute such bans."

Brandon said "the next step is for Congress to stop these spiraling gas prices and continue price controls on natural gas. To decontrol now is to condemn hundreds of thousands of additional Americans to winters without heat."

The Reagan Administration, in the face of public opposition in an election year, held back its plans to propose legislation to speed up the timetable on natural gas decontrol. But the White House still publicly favors decontrol, and the issue may come before the lame-duck session of Congress later this year or be put before the new Congress next year.

According to the CLEC study—"Cold and Dark: Utility Disconnections in the United States"—more than 300,000 households face disconnections this winter, some 60,000 more households than those who lost their gas heat last winter.

Costs rise 20-30 percent

The study said gas heating costs are up 20-30 percent over last year in most regions of the nation. At the same time, federal energy assistance money has remained the same for the past two years while gas and other fuel prices have increased sharply.

Sixty percent of all U.S. households heat with gas, the study reported. It said its heat shutoff estimates don't include electric space heat lost because of disconnection, or those fuel oil and propane deliveries lost because of inability to pay. bills.

Chemical union adopts expanded safety program

Las Vegas, Nev.—Job safety and health and political action topped the agenda at the Chemical Workers' 29th convention.

The more than 500 delegates representing 75,000 members amended the union's constitution to create a special health and safety fund to be supported by a per capita allocation of 10 cents effective next July 1. An additional 10 cents per member will go into the fund starting the following July 1.

The fund will underwrite additional safety and health personnel and the expansion of training programs.

ICWU President Frank Martino told the delegates the 1982 convention "has an added sense of urgency this year in the light of more than 11 million unemployed Americans and the Reagan Administration which is openly hostile to labor."

Other constitutional amendments increased allocations out of per capita taxes for the union's strike and defense funds.

Labor's stake in the 1982 elections and the AFL-CIO's positions on economic, social and political issues were outlined by Kenneth Young, executive assistant to AFL-CIO President Lane Kirkland and John Perkins, national COPE director.

Martino told the delegates the newly established safety and health fund grew out of ICWU members' interests, and he stressed "there will be no reduction in the union's commitment to health and safety education and training even if the government continues to weaken Occupational Safety & Health Act protections and reduce education and training funds."

With the new fund, Martino said, the ICWU will continue its "struggle to clean up American workplaces. . . ."

In other action, the delegates voted to keep to a monthly schedule for the union's publication, The Chemical Worker, rather than reduce frequency as a reaction to sharply higher postage rates linked to Reagan Administration budget cuts.

The delegates also renewed support of the Equal Rights Amendment and of the Polish trade union movement, Solidarity.

Among other convention speakers were Howard Samuel, president of the AFL-CIO Industrial Union Dept., and Dr. Eula Bingham, former assistant secretary of labor for OSHA.

Climb in economic indicators offset by other gloomy signals

While the government's barometer of economic trends rose five-tenths of 1 percent in September for the fifth increase in the past six months, other signs showed the economy still mired in recession.

Jobless insurance claims continued to run high, new factory orders remained low, and the nation's merchandise trade deficit widened. The main improvement reported by the government was an increase in house sales last month.

The Commerce Dept.'s index of leading economic indicators is now up 4.2 percent since last March, but more than half the September increase came from a surge in stock prices. A substantial increase in building permits also helped lift the measure.

Labor market indicators off

The rise in the index was tempered by declines in two labor market indicators—the length of the average manufacturing workweek and initial claims for unemployment insurance. Other declining indicators were changes in the sensitive crude materials component of the producer price index and a change in the total liquid assets component.

Contributing to the rise in the index were contracts and orders for plant and equipment, manufacturers' new orders for consumer goods and materials, and money supply, all as expressed in constant 1972 dollars.

In the week eneded Oct. 23, the Labor Dept. said, there were about 677,000 people who applied for unemployment insurance benefits for the first time. It marked the sixth week in a row that applications approached or exceeded 700,000.

Meanwhile, new factory orders remained locked in the grip of recession, expanding just seven-tenths of 1 percent over the month, the Commerce Dept. reported.

In another gloomy report, Commerce said the nation's merchandise trade deficit totaled $4.19 billion in September, less than August's record $7.08 billion gap, but almost twice as large as July's $2.42 billion deficit.

The nine-month trade deficit widened to $29.71 billion from $28.64 billion a year earlier. If the deficits in the remaining three months of the year average more than $3.4 billion—which analysts say is possible—1982 will show more red ink than 1981's $39.9 billion.

On the plus side, sales of single family houses increased by 23.7 percent in September while the average price dropped $6,800 to $82,300, the Commerce Dept. said. The increase was spurred by lower mortgage interest rates.

On Oct. 12, the government-insured Federal Home Association rate fell to 12.5 percent, the lowest in more than two years. Conventional mortgage rates have been about two percentage points higher. In August of last year, conventional rates hit about 17.3 percent, and FHA rates 16.5 percent.

In another report, productivity—or output per hour—gained in all sectors of the economy in the July-September quarter, the Bureau of Labor Statistics said. The agency noted, however, that the increases reflected declines in employment and hours of work.

A 7.1-percent rise in manufacturing productivity was the largest since a 14-percent jump in the fourth quarter of 1980. BLS noted that employment fell 7.7 percent in that sector in the third quarter, and average weekly hours dropped eight-tenths of 1 percent.

How education pays off

The number of workers with college degrees is going up and unemployment is hitting hardest at those with the least education, a Labor Dept. survey shows.

A study by the Bureau of Labor Statistics found that since 1970 the proportion of workers 25 to 64 years old who have college degrees has risen to about one-fourth of the total workforce. The number of workers without high school diplomas is about one-fifth.

The postwar baby boom generation, the BLS said, accounts for one-third of the 25-64 labor force, and nearly half of those workers have completed at least one year of college compared to about 30 percent among workers 55 to 64.

The study also found the largest increase in joblessness between March 1981 and March 1982 occurred among workers with a high school education or less, or about 75 percent of the total increase in unemployment.

Democrats broaden strength in House

Net gain of 26 seats ends conservative coalition rule

Continued from Page 1

gress, it will send 59 Democrats and only 44 Republicans.

The 12 eastern states are represented this year by 67 Democrats and 50 Republicans. The new lineup will be 70 Democrats to only 38 Republicans.

More often than not, the Republican seats lost in reapportionment turned up as new Democratic seats in the Sunbelt states.

These are the states in which party lineups changed:

Alabama—A lineup of 4 Democrats and 3 Republicans tilted to a 5-2 Democratic majority.

The pickup was in Birmingham, where Democrat Ben Erdreich beat a right-wing Republican incumbent, Albert Lee Smith, Jr., whose 2 right, 26 wrong COPE record was the worst in the state's congressional delegation. Black turnout and Smith's support of Reaganomics when steel layoffs had pushed unemployment in the district to 13 percent brought about the upset.

Arizona—The previous lineup was 2-2 only because Bob Stump with an 11 right, 95 wrong COPE record listed himself as a Democrat in the 97th Congress. He won re-election as a Republican, but the Democrats won a seat gained through reapportionment with Jim McNulty, a political ally of liberal Morris Udall, who easily won his re-election race. Thus the new lineup of 2 Democrats, 3 Republicans is actually a one-seat gain for mainstream Democrats.

California—The pre-election lineup was 22 Democrats, 21 Republicans, and two seats were added through reapportionment. But a Democratic-authored reshaping of congressional districts helped bring in 28 Democrats and 17 Republicans, a gain of 6 Democratic seats and a loss of 4 Republican House members.

Right-wing Republican John H. Rousselot found a COPE record over seven terms of 17 right, 187 wrong votes didn't help him in a new, largely Hispanic district in the San Gabriel Valley. He lost to Democrat Marty Martinez, who won a special election to the House last July.

In the 1st District, along the northern coast, unemployment and redistricting helped Democrat Douglas A. Bosco end the congressional career of Republican Don H. Clausen after nine terms.

A Republican won the Southern California 43rd district. But the party's nominee, Johnnie Crean, had made so many enemies in winning a big-spending, smear-stained primary that a GOP write-in candidate won the general election. Write-in winner Ron Packard came in first, Democrat Pat Archer was a close second.

Newly-designated open districts went Democratic as expected. And liberal Democrat Phillip Burton, who was reported to have been in trouble in his San Francisco district, won with a comfortable 59 percent of the vote.

Colorado—Three Democratic and 2 Republican incumbents were re-elected. A new seat was won by conservative Republican Jack Swigert, a former astronaut who stayed in the campaign despite cancer treatments.

Connecticut—Each party turned over a seat to keep the lineup 4 Democrats, 2 Republicans.

The Republican pickup was a victory by Nancy L. Johnson in the district left open when Democrat Toby Moffett ran unsuccessfully for the Senate. And Democrat Bruce Morrison was a surprise winner in New Haven over moderate Republican incumbent Lawrence DeNardis.

Delaware — The lone House seat switched from Republican to Democrat. The winner, State Treas. Thomas R. Carper, had strong union and black support. He beat Thomas B. Evans, Jr., who had a 24 right, 79 wrong COPE voting record—and problems with a sex and lobbying scandal as well as Reaganomics.

Florida—An 11 Democratic, 4 Republican lineup became 13 Democrats, 6 Republicans as the parties split the four seats added through redistricting. Incumbents on the ballot were all re-elected, including liberal Democrat Dante B. Fascell, who had redistricting problems as well as a strong conservative opponent.

Georgia—No change thus far in the 9 Democratic, 1 Republican lineup. Redistricting problems forced postponement of elections in two districts until Nov. 30. Then, Democrat Wyche Fowler, is strongly favored to retain his Atlanta district. Democrat Elliot H. Levitas has an edge to keep his suburban seat, but Republicans are pouring money into a takeaway attempt.

Illinois—Previously 10 Democrats, 14 Republicans. But Republicans lost two seats in the redistricting process and two more to Democrats on Election Day.

In the Rock Island-Moline area, New Right ideologue Kenneth McMillan had ousted moderate incumbent Tom Railsback in the Republican primary. That helped Democrat Lane Evans win the election with 53 percent of the vote.

In a Springfield district, 11-term Republican Paul Findley was beaten by a hairsbreadth by Democrat Richard J. Durbin, and House Republican Leader Robert H. Michel got such a scare before he narrowly won re-election that he suggested President Reagan's economic program might need some "slight modification."

Indiana—The previous lineup was 6 Democrats, 5 Republicans. Redistricting eliminated one district and reshaped another to elect a Republican. But Democrat Francis A. McCloskey, the mayor of Bloomington, defeated two-term Republican Joel Deckard. The lineup is now 5 Democrats, 5 Republicans.

Kansas—The 1 Democrat, 4 Republican lineup shifts to 2 Democrats, 3 Republicans. Democrat Jim Slattery overcame a big-spending opponent to win a previously Republican Topeka area district.

Massachusetts—A matchup of two popular incumbents, compelled by a loss of one seat in redistricting, resulted in Democrat Barney Frank beating eight-term Republican Margaret M. Heckler by a surprisingly large margin. The 10-2 Democratic lineup becomes 10-1.

Michigan—The 12 Democrats, 7 Republicans become, after a one-seat reapportionment loss, 12 Democrats, 6 Republicans.

The party change came in a rematch in a Lansing-Pontiac district. Democrat Bob Carr won back the seat he lost two years ago to Republican Jim Dunn. Carr had a COPE record of 111 right, 24 wrong during three previous terms in the House; Dunn's one-term record was 9 right, 24 wrong.

Minnesota—A lineup of 3 Democrats, 5 Republicans has been turned around to 5 Democrats, 3 Republicans.

In the Rochester area, four-term Republican Tom Hagedorn—a 14 right, 110 wrong COPE record—was upset by Democrat Timothy J. Penny. In the Twin Cities suburbs, Democrat Gerry Sikorski defeated two-term Republican Arlen Erdahl in a reshuffled district. And Republican Arlan Stangeland won his third term by the very barest margin.

Mississippi—From 4 Democrats, 1 Republican to 3 Democrats, 2 Republicans.

Mississippi came close to electing a liberal black Democrat, COPE-endorsed Robert G. Clark, in a previously Democratic district. But the winner was Republican Webb Franklin, whose campaign had clearly racist overtones.

In a Jackson district, however, the state's most liberal congressman, Democrat Wayne Dowdy, won re-election.

Missouri — With reapportionment, 6 Democrats and 4 Republicans shifted to 6 Democrats, 3 Republicans.

In a matchup of incumbents in the Kansas City suburbs, Democrat Ike Skelton, with a 63 right, 40 wrong COPE record, defeated Republican Wendell Bailey, who had 3 right, 24 wrong votes.

A black Democrat, Alan Wheat, won with 59 percent of the vote in a Kansas City district that is nearly three-fourths white.

Nevada—From a lone Democratic seat to one for each party. Democrat Harry Reid won the Las Vegas district as expected. But Republican Barbara Vucanovich, an aide to Sen. Paul Laxalt, narrowly beat liberal Democrat Mary Gojack for the state's other seat.

New Jersey—Previously 8 Democrats, 7 Republicans. Republicans lost one seat in redistricting and another when Democrat Robert Torricelli defeated Republican incumbent Harold Hollenbeck in a battle of two liberals.

New Mexico—Republicans kept their two seats but lost a third added by reapportionment to Democrat Bill Richardson.

New York—A previous lineup of 22 Democrats, 17 Republicans, after a five-seat reapportionment loss, turns into 20 Democrats, 14 Republicans.

In a Long Island district with a 3-2 Republican edge, voters turned out an abrasive, right-wing ideologue, John LeBoutillier. He lost his bid for a second term to Democrat Robert J. Mrazek.

Most of the new 14th District is in Staten Island, the home base of Republican Guy Molinari. He won a second term by defeating four-term Democrat Leo C. Zeferetti.

And a matchup of two liberal incumbents gave Republican Benjamin Gilman a victory over Democrat Peter A. Peyser.

North Carolina—Not even an unlimited supply of campaign funds from the Congressional Club of Sen. Jesse Helms could stave off a two-seat Republican loss to make the new lineup 9 Democrats, 2 Republicans.

In the Greensboro district, Democrat Charles Britt upset Republican incumbent Eugene Johnston. In Asheville, incumbent Republican Bill Hendon lost a squeaker to Democrat James Clarke. And to top it off, Democrat Ike Andrews kept his seat despite being the Number One state target of the Helms operation.

Ohio—After redistricting the lineup of 10 Democrats, 13 Republicans becomes 10 Democrats, 11 Republicans.

Democrat Marcy Kaptur trounced Republican incumbent Ed Weber in a Toledo district. But redistricting helped Republican John Kasich oust Democrat Bob Shamansky in a Republican-tilted Columbus seat. Democrat Edward F. Feighan, who ousted the more conservative incumbent, Ronald M. Mottl, in the primary, had no trouble winning election. And Democratic incumbent Dennis Eckart, squeezed by reapportionment, switched to a previously Republican district—and won it.

Oregon—Oregon gained a seat, and it went Republican for a new lineup of 3 Democrats, 2 Republicans. The new district was won by Republican Bob Smith.

Pennsylvania—The lineup of 12 Democrats, 13 Republicans was supposed to tilt heavier to the GOP because redistricting eliminated two Democratic seats. Instead the lineup will be at least 13 Democrats, no more than 10 Republicans.

In Philadelphia, incumbent Republican Charles Dougherty lost his bid for a third term to Democrat Robert Borski.

With a big assist from union members, Democrat Joseph Kolter trounced two-term Eugene Atkinson, who switched party affiliations after embracing Reagan's program last year.

In a rematch, Democrat Peter Kostmayer won back the seat he lost two years ago to Republican Jim Coyne. In Wilkes-Barre, another one-term Republican was beaten as James Nelligan lost to Democrat Frank Harrison.

Republicans did succeed in taking the Harrisburg seat Democrat Allen Ertel gave up to run for governor. The winner is George Gekas. And in a district where liberal Republican Marc L. Marks is retiring, Republican Thomas J. Ridge had a scant lead of less than 500 votes over Democrat Anthony Andrezeski.

South Carolina—A 4-2 Republican margin changed to 3-3. The switch came with the defeat of one-term Republican John Napier by Democrat Robert M. Talon, Jr., who had strong black support.

South Dakota—Reapportionment forced the state's two incumbents to fight it out for the lone seat. Democrat Thomas A. Daschle, with a 54 right, 11 wrong COPE record was the winner. Republican Clint Roberts, 2 right, 23 wrong, was the loser.

Tennessee—A one-seat gain went Democratic. The winner in the new district was Jim Cooper, who easily beat Republican Cissy Baker.

Texas—Democrats won all three seats added by reapportionment to make the new lineup 22 Democrats, 5 Republicans. The new Democrats are Michael Andrews in a Houston district, Solomon Ortiz in the Corpus Christi area, and Tom Vandergriff in the Fort Worth suburbs—if Vandergriff's 437-vote lead holds up.

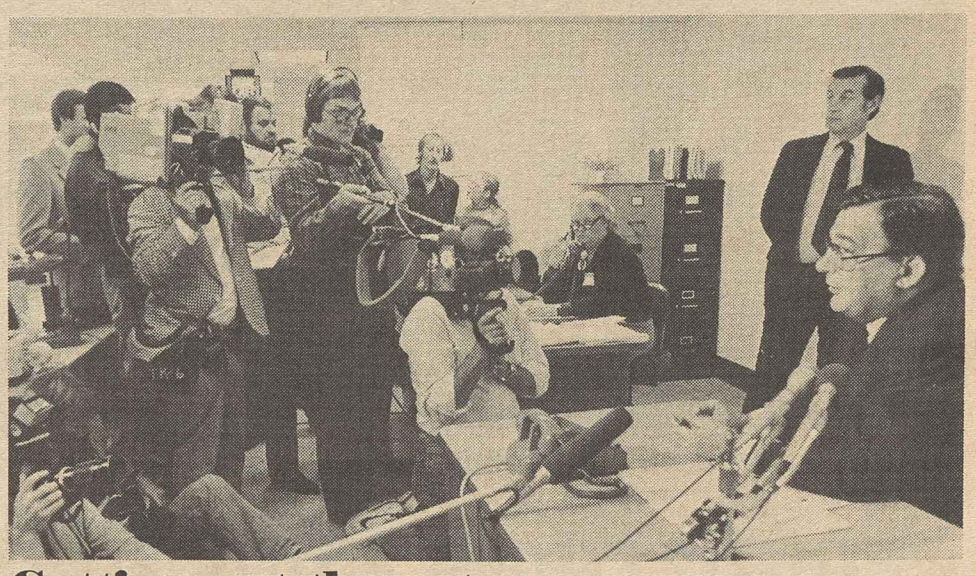
Utah—An added seat made it 3 Republicans instead of 2. He's Howard Nielson of Provo.

Virginia—A probable three-seat Democratic pickup would make the lineup 4 Democrats, 6 Republicans.

In the Portsmouth area, Democrat Norman Sisisky upset five-term Republican Robert W. Daniel, Jr. In a Roanoke district where Republican M. Caldwell Butler is retiring, the Democratic winner is James Olin. And nine-term Republican William C. Wampler was trailing Democrat Frederick Boucher by fewer than 350 votes.

Washington—An added seat was won by Republican Rodney Chandler to make it 5 Democrats, 3 Republicans.

West Virginia—From 2 Democrats, 2 Republicans to 4 Democrats. The Harley O. Staggers, Jr., who won the seat opened when Republican Cleve Benedict ran for the Senate is the son of the man who represented the district for 32 years until 1980. The other Democratic pickup was the big upset victory of Bob Wise over Republican incumbent David Stanton.



Getting out the vote

Reporters are briefed on labor's get-out-the-vote effort by AFL-CIO President Lane Kirkland at a COPE telephone bank at the federation headquarters. Nearly 150,000 volunteers around the country placed 10 million calls.

FRANK LAUTENBERG

PAUL SARBANES

GEORGE MITCHELL

JOHN MELCHER

Senate races show liberal strength despite standoff in party lineups

Continued from Page 1

The only real Republican takeover was the Senate seat of Nevada's veteran Howard W. Cannon, who was seeking a fifth term after a bruising primary battle. He was beaten by the well-financed campaign of Chic Hecht, 53-year-old former Republican leader of the state senate.

Republican Paul S. Trible, Jr., won the Senate seat of Virginia's retiring Harry F. Byrd, Jr. But that rates as a party switch only on the most technical of grounds. Byrd had been elected to two terms in the Senate as an independent, defeating Democratic candidates. He was counted as a Democrat because he joined the party's Senate caucus. Byrd had voted in accord with labor's position only 13 percent of the time—less even than the 16 percent COPE record Trible compiled in his three terms in the House.

A clear Democratic gain was in New Mexico, where Republican Harrison Schmitt was upset in his bid for a second term.

He was beaten soundly by New Mexico Atty. Gen. Jeff Bingaman, who campaigned as a mainstream Democrat and challenged Schmitt's support of President Reagan's spending cuts. Schmitt, a former astronaut, had 16 right votes in the Senate to 83 wrong votes.

The other Democratic pickup was in New Jersey, where Republican Nicholas F. Brady had filled the seat by appointment after the resignation of Democrat Harrison A. Williams, Jr., early this year.

New Jersey switch

Republican Millicent Fenwick gave up her House seat to run for the Senate at age 72, and it first appeared she would win in a walkaway. The Democratic candidate, Frank R. Lautenberg, was wealthy and liberal—but little known. But the combination of a Reagan-devastated economy, Lautenberg's strong media campaign and Fenwick's problem of trying to placate Republican conservatives while appealing to Democratic voters turned the election around.

In New England, three moderate Republican incumbents prevailed by slim margins against strong Democratic challenges—Vermont's Robert Stafford, Connecticut's Lowell Weicker, and Rhode Island's John Chafee.

None received more than 51 percent of the vote and Chafee's lead in Rhode Island could be overturned in the absentee ballot count. Democrat Julius C. Michaelson was still in the running as the AFL-CIO News went to press.

Democrat Edward M. Kennedy won as expected with 61 percent of the vote in Massachusetts. But so did George Mitchell in Maine, whose Senate seat was considered highly vulnerable to a Republican takeover.

Elsewhere in the East, COPE-backed Republican John Heinz was the only Republican in the nation to win a Senate race with 60 percent of the vote. Delaware Republican William Roth also won handily.

But among Democrats, New York's Daniel P. Moynihan swept back in with 65 percent, the once-endangered Paul Sarbanes had 63 percent, and Senate Democratic Leader Robert Byrd, also picked as a prime conservative target, won an astonishing 69 percent of the vote.

Solid South

In the South, the three Democratic incumbents all took over 60 percent of the vote — Lawton Chiles in Florida, John Stennis in Mississippi and Tennessee's Jim Sasser, who was once thought to be endangered by the distortion-riddled attacks of Republican Robin Beard.

Democrats Lloyd Bentsen in Texas and Dennis DeConcini in Arizona both substantially exceeded their election margins of six years ago.

In the Midwest, among Democratic incumbents, only Wisconsin's William Proxmire slipped below 1976 percentages and his "drop" was to a mere 64 percent. Ohio's Howard Metzenbaum and Michigan's Donald Riegle, all in close races last time around, were easy winners this year.

On the Republican side, Indiana's Richard Lugar slipped from 59 to 54 percent in what was supposed to have been an easy contest, Minnesota's David Durenberger plunged from 61.4 percent to 53 percent, and Missouri's John Danforth dropped from 56.9 percent to less than 51 percent in holding off a strong challenge from liberal Democrat Harriett Woods.

In the Plains and Mountain states, incumbents of both parties fared well—Democrats Quentin Burdick in North Dakota, Edward Zorinsky in Nebraska and John Melcher in Montana, along with Republicans Orrin Hatch in Utah and Malcolm Wallop in Wyoming.

In the West, among Democratic incumbents, Henry Jackson won in Washington with 69 percent and Spark Matsunaga polled an 82 percent in Hawaii.

GOP retains California

The big seat was in California, where Republican S. I. Hayakawa did not seek re-election. California's outgoing Gov. Edmund G. Brown was unable to catch up with his Republican opponent, San Diego Mayor Pete Wilson, who won with 53 percent of the vote.

Republican moderates have been a stronger influence in the Senate than in the House these past two years, and the election returns may enhance their influence.

In general, voters in Senate elections this year tilted strongly away from Reaganomics and candidates who echoed the President's "stay the course" appeal. It was a marked contrast to the elections two years ago, which saw a huge swing of 12 seats from Democratic to Republican. But it will be four more years until Reagan's dozen again face the electorate.

Senators elected

Arizona—Dennis DeConcini (D)*
California—Pete Wilson (R)
Connecticut—Lowell P. Weicker, Jr. (R)*
Delaware—William V. Roth, Jr. (R)*
Florida—Lawton Chiles (D)*
Hawaii—Spark M. Matsunaga (D)*
Indiana—Richard G. Lugar (R)*
Maine—George J. Mitchell (D)*
Maryland—Paul S. Sarbanes (D)*
Massachusetts—Edward M. Kennedy (D)*
Michigan—Donald W. Riegle, Jr. (D)*
Minnesota—David Durenberger (R)*
Mississippi—John C. Stennis (D)*
Missouri—John C. Danforth (R)*
Montana—John Melcher (D)*
Nebraska—Edward Zorinsky (D)*
Nevada—Chic Hecht (R)
New Jersey—Frank R. Lautenberg (D)
New Mexico—Jeff Bingaman (D)
New York—Daniel P. Moynihan (D)*
North Dakota—Quentin N. Burdick (D)*
Ohio—Howard M. Metzenbaum (D)*
Pennsylvania—John Heinz (R)*
Rhode Island—John H. Chafee (R)*
Tennessee—Jim Sasser (D)*
Texas—Lloyd Bentsen (D)*
Utah—Orrin G. Hatch (R)*
Vermont—Robert T. Stafford (R)*
Virginia—Paul S. Trible, Jr. (R)
Washington—Henry M. Jackson (D)*
West Virginia—Robert C. Byrd (D)*
Wisconsin—William Proxmire (D)*
Wyoming—Malcolm Wallop (R)*

*** Incumbent**

Federal pay boosts urged to narrow gap

A presidential advisory committee has called for a series of catch-up raises for federal employees to restore comparability with private-sector jobs.

The three-member Advisory Committee on Federal Pay said government workers should have received raises averaging 17 percent last month—instead of the 4 percent set by Congress and the President.

Pay raises have been held below the comparability level in each of the past five years, the committee noted, and "the pay gap has become so wide as to undermine employee belief in the purpose and fairness of the system."

The advisory panel was created by the 1970 Federal Pay Comparability Act, which was supposed to take the pay of government employees out of the political arena by basing annual salary adjustments on a survey of similar jobs in private industry. Committee members serve six-year terms and this year's unanimous report was made by persons first appointed in the administrations of Presidents Nixon, Carter and Reagan.

Start proposed

The committee said the gap has grown so large that it is unrealistic to expect that it will be closed in a single year.

But a start should be made, it urged, by a presidential commitment to a full catch-up, to be achieved over three years preferably, but at least over a five-year period.

"If federal pay continues to deteriorate," the committee warned, "the quality of the workforce and the efficiency with which federal government functions are performed will also continue to deteriorate. This means an increase in the net cost of government."

A few years back, it was primarily higher-grade jobs that were significantly behind private-sector rates, the panel noted. But now clerical jobs have increasingly been hard to fill at federal pay levels, and above-scale pay has had to be authorized in some communities.

The committee expressed concern that the government has been looking for ways to lower the pay-setting formula instead of striving to achieve full comparability. The changes that have been proposed, it noted, "have been one-sided and have focused on reduction in pay or benefits."

Donahue cites labor's role in economic, social changes

Kansas City—The AFL-CIO will continue to press Congress for a major correction in the nation's economic course that will bring about full employment, Federation Sec.-Treas. Thomas R. Donahue said in a speech here.

Donahue said organized labor will seek reindustrialization of the nation and a coordinated national industrial policy enabling the United States to compete with other big industrial powers.

In an address at the annual meeting of the Joint Committee on Economic Education and the National Association of Economic Educators, Donahue charged that the Administration-supported tight-money policies and President Reagan's tax and budget policies have generated an overall economic and social climate that seriously retards the drive for jobs, and social progress and compounds the problems of collective bargaining.

"To deal with these issues, labor must extend its actions into the political arena where these basic decisions are made," Donahue said.

In his remarks on the role of labor in a free society, Donahue spoke of the labor movement as a "change-agent" in society and said it has never shrunk from its historic mission to improve the lot of the poor, the exploited, and the victims of discrimination.

"No other organization in society has concerned itself with as wide-ranging a program for social improvement," he said, adding: "Today, that struggle to improve our nation is more important than ever."

He charged that Reaganomics is undoing the gains in economic and social rights that have been achieved over a half-century in this country.

"The economy has been pushed into the deepest and longest recession since the Depression" by Reagan policies, he said. At the same time, the right of workers to form and join unions for collective bargaining purposes is being eroded by determined and almost universal resistance of employers and their so-called "labor-management consultants," he said.

"That opposition is responsible for the current difficult labor-management climate in this country and the continuing inability of the labor movement to embrace wholeheartedly some writers' views of 'labor-management cooperation,'" Donahue said.

"It is very hard to think about cooperating with the bear while you are wrestling with him."

Donahue asked the educators to enlarge their effort to make young Americans economically literate and aware of the trade union movement, its goals and philosophies, and its proper role and place in society.

Bonds to bottles

Ballot questions cover wide range of issues

By Susan Dunlop

A record number of ballot questions confronting voters in this year's election ran the gamut from local bond issues to constitutional housekeeping measures to referenda on national policies.

"Bottle bills" on the ballot in five states generally were opposed by labor out of concern that requirements for deposits on returnable containers would cost jobs.

Voters in Arizona, California, Colorado and Washington turned down the proposals. But in Massachusetts, where a bottle deposit measure was approved last year, the voters decided to keep it.

Oregon voters turned down an initiative that would have crippled local revenues and threatened jobs by imposing a 1.5-percent limit property tax. They also agreed with labor in rejecting a measure to permit self-service gasoline stations.

Missouri rejection

Vigorous opposition by the Missouri AFL-CIO helped defeat a call for a state constitutional convention and for a so-called consumers' utility organization. The group would have been funded by utility companies, and union members working for utilities would have been barred from serving on the boards. The convention was opposed on grounds it would not only be expensive but could be manipulated by anti-labor groups.

Missouri voters approved a labor-supported measure to permit local governments to increase benefits of retired public employees, but voted against a measure that would have permitted improved health insurance benefits for public employees and their dependents.

In Ohio, voters rejected a proposal for an elected public utility commission, an idea labor opposed on the grounds that elected commissioners could be subject to political pressures and that utility companies could substantially finance commission candidates of their choosing.

A proposal was adopted that will permit the state to sell bonds and make the money available to private lending institutions to finance below-market rate mortgages for low- and middle-income home buyers. But funding for a high-speed rail system in the state was turned down.

In Washington, a slick campaign and heavy spending by big retail chains helped defeat a labor-backed initiative to limit interest rates on retail credit to 12 percent or 1 percent above the federal discount rate. The State AFL-CIO estimates the opposition poured well over $1 million into the campaign. The same kind of heat persuaded Arkansas voters to let the state's interest rate ceiling go up from 10 percent to 17 percent on consumer loans.

Michigan voters approved a labor-supported measure to restrict lenders from foreclosing on mortgages or land contracts by invoking "due on sale" clauses when homes are sold. Election of public service commissioners was also defeated.

Two proposals to reform utility rate-making procedures and open them to the public were on the Michigan ballot. Labor opposed one that would have stopped utilities from including labor and fuel costs in rate request justifications, but backed another measure, considered more realistic and tighter. Both passed, but the labor-supported proposal will be adopted because it got a higher number of votes.

Nebraska labor cheered the success of a "save the family farm" amendment to the state's constitution that will prohibit non-family corporations from buying or operating farms in the state.

Arizona's labor-supported "Voter-Motor" issue was also a winner. When it takes effect, anyone who renews a driver's license will automatically be offered voter registration. Registration will also be available to eligible first time drivers who are approaching voting age.

In Texas, voters approved a measure that will raise the ceiling on state expenditures for aid to families with dependent children from the current $80 million to 1 percent of the state budget. The needy elderly and blind also will benefit.

Procedures for redistricting were an issue in several states, but in California a Republican proposition to give reapportionment authority to a complicated commission, or to the courts, was defeated, thus keeping responsibility for reapportionment in the legislature.

Nuclear freeze votes

Proposals calling on the United States and the Soviet Union to freeze further proliferation of nuclear weapons were put before voters in nine states and a number of local jurisdictions.

Arizona voters said no, but in California, Massachusetts, Michigan, Montana, New Jersey, North Dakota, Oregon and Rhode Island, the idea was endorsed. It also won approval in the District of Columbia.

Colorado voters disapproved, however, a measure calling for conversion to other uses of the Rocky Flats nuclear weapons manufacturing facility. And in Maine, voters defeated a measure that would have required the phasing out of the state's only nuclear power plant, Maine Yankee, by 1987.

Administration eyes benefit cuts in social security

Continued from Page 1

strengthening financing, establishment of a presidential advisory commission was no more than "a smokescreen that would blow away after Election Day," he said.

Kirkland noted that President Reagan has repeatedly pledged that he would not cut benefits for persons already on the social security rolls. But that's exactly what would be done if cost-of-living guarantees were reduced, he charged.

The USA Today news story wasn't the only evidence of the Administration's approach to social security cutbacks, Kirkland said.

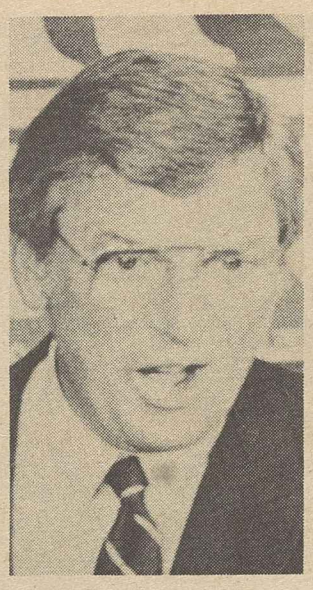
He cited "persistent reports of other proposals by Administration officials that would reduce benefits to the most needy recipients."

One such indication was a Republican fund-raising letter inviting contributors to express a preference, through a straw vote, among various options for dealing with social security financing problems.

The "choices" included making social security coverage voluntary instead of universal and reducing benefits for the poorest recipients.

National Council of Senior Citizens President Jacob expressed "alarm and outrage" at the Republican poll.

RICHARD CELESTE



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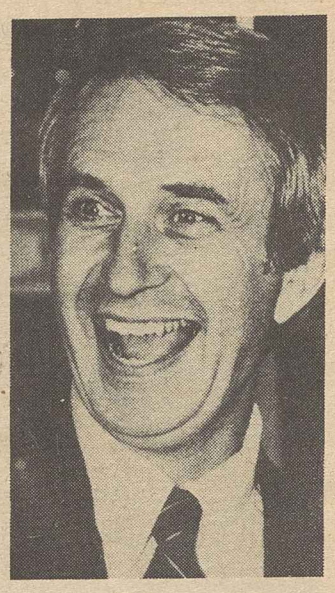


ANTHONY EARL

Pickup of 7 governorships bolsters Democrats for '84

Continued from Page 1

predicted the election would likely be decided in court.

Democratic gubernatorial candidates, most of whom had strong support from organized labor, had been expected to do well this year. Even so, the capture of the Texas governorship by Atty. Gen. Mark White was a stunning upset of incumbent GOP Gov. William P. Clements, Jr., who spent an estimated $11.5 million in seeking a second term. Clements had been favored to win, but White benefited from the most united Democratic Party effort Texas has seen in years and took the race with 54 percent of the vote.

Costly contest

In another expensive contest of national significance, California Atty. Gen. George Deukmejian, the Republican candidate, came from behind to prevent Los Angeles Mayor Tom Bradley from becoming the first black elected governor. (Deukmejian will be the first governor of Armenian descent.)

Bradley, who was regarded as comfortably ahead about two weeks before the election, lost by about 50,000 votes. He has refused to concede the race, however, and said he may seek a recount.

In New York, the second most populous state after California, Democratic Lt. Gov. Mario Cuomo turned back a strong challenge from Republican drugstore magnate Lewis E. Lehrman, who spent a large chunk of his personal fortune in an attempt to succeed retiring Gov. Hugh Carey (D). The race was a classic liberal-conservative battle in a state hard hit by unemployment.

Former Democratic Gov. George C. Wallace received heavy support from black voters in coasting to an unprecedented fourth, non-consecutive term in Alabama. A one-time fiery segregationist, Wallace appealed to black voters to forget the past and accept him as a "compassionate, caring man," who would represent all the people of Alabama. That, plus name recognition and soaring unemployment, gave him an easy victory over his Republican opponent, Montgomery Mayor Emory Folmar.

Three other former Democratic governors won return statehouse engagements —Michael Dukakis in Massachusetts, Bill Clinton in Arkansas, and Rudy Perpich in Minnesota.

In other gubernatorial contests:

- Democratic newcomer Bob Kerrey scored an upset win over Republican Gov. Charles Thone in Nebraska. Thone, a former congressman, had actively tied his campaign to President Reagan, who stumped for him in late September. Kerrey, a Vietnam Medal of Honor winner, pledged to prop up the state's sagging farm economy.

- Pennsylvania Gov. Richard Thornburgh (R) narrowly held off his Democratic challenger, Rep. Allen Ertel, in a race that proved closer than most observers had expected. A Democratic coalition of blacks and labor cut substantially into Thornburgh's lead, especially in urban areas, and he managed to take only 51 percent of the total vote.

- Ohio voters elected former Lt. Gov. Richard F. Celeste, a Democrat, over Republican Rep. Clarence J. Brown in the race to succeed retiring Gov. James A. Rhodes (R). Celeste highlighted the state's economic woes under Republicans, including an unemployment rate of 12.5 percent.

- Michigan Rep. James Blanchard (D) defeated insurance executive Richard Headlee in a contest to succeed retiring Gov. William Milliken (R), thus ending 20 years of Republican control in Lansing. Blanchard sponsored the federal legislation that helped bail out the Chrysler Corp. when it was on the verge of bankruptcy.

Governors elected

Alabama—George C. Wallace (D)
Alaska—Bill Sheffield (D)
Arizona—Bruce Babbitt (D)*
Arkansas—Bill Clinton (D)
California—George Deukmejian (R)
Colorado—Richard D. Lamm (D)*
Connecticut—William A. O'Neill (D)*
Florida—Robert Graham (D)*
Georgia—Joe Frank Harris (D)
Hawaii—George Ariyoshi (D)*
Idaho—John V. Evans (D)*
Illinois—Undecided
Iowa—Terry Branstad (R)
Kansas—John Carlin (D)*
Maine—Joseph E. Brennan (D)*
Maryland—Harry R. Hughes (D)*
Massachusetts—Michael S. Dukakis (D)
Michigan—James J. Blanchard (D)
Minnesota—Rudy Perpich (D)
Nebraska—Bob Kerrey (D)
Nevada—Richard H. Bryan (D)
New Hampshire—John H. Sununu (R)
New Mexico—Toney Anaya (D)
New York—Mario M. Cuomo (D)
Ohio—Richard F. Celeste (D)
Oklahoma—George Nigh (D)*
Oregon—Victor G. Atiyeh (R)*
Pennsylvania—Richard L. Thornburgh (R)*
Rhode Island—J. Joseph Garrahy (D)*
South Carolina—Richard Riley (D)*
South Dakota—William J. Janklow (R)*
Tennessee—Lamar Alexander (R)*
Texas—Mark White (D)
Vermont—Richard A. Snelling (R)*
Wisconsin—Anthony S. Earl (D)
Wyoming—Ed Herschler (D)*

*** Incumbent**

Court rescinds heavy fine in '75 Teachers' strike

New Haven, Conn.—A state court has rescinded a $224,500 fine that was imposed on the New Haven Federation of Teachers during a 1975 strike, agreeing with the union's contention that it was excessive punishment.

The rehearing followed a ruling by the Connecticut Supreme Court last May that the original trial judge, who has since retired, raised a reasonable doubt as to his impartiality in a newspaper interview he granted at the time.

Ninety AFT members were jailed for up to eight days during the strike and not released until the fine against their union was paid.

Frank Carrano, president of the New Haven AFT local and of the city's AFL-CIO Central Labor Council, was one of those jailed and recalled the judge's insistence on a certified check before the strikers were freed. The parent American Federation of Teachers advanced the money to pay the fine, and the refund will allow the local union to repay the loan, Carrano said.

American labor's stake in the Middle East was the central topic at a three-day Washington conference. Panelists included Ed Schneider, international relations director for the Ladies' Garment Workers, AFL-CIO Economist Elizabeth Jager, and AFL-CIO Education Director Dorothy Shields, right.

Democracy in Middle East linked to strong, free Israel

American labor's concern for Israel goes far beyond its link with the democratic national trade union movement there and is concerned primarily with democracy itself, AFL-CIO Sec.-Treas. Thomas R. Donahue told a Washington conference.

"The survival of democracy is our legitimate concern, and we see no hope that democracy in any of its political or economic or social forms—including the form of trade unionism—can be kept alive in the Middle East without a strong and free Israel," Donahue said.

"We have never had the slightest doubt that if Israel should fall, her Arab neighbors would quickly be swallowed up or reduced to helpless satellites of the greatest despotism of all, the Soviet empire. If the light of democracy were extinguished in Israel, the darkness would soon be complete.

"So the issues that turn on the survival of Israel are vital to free men and women everywhere."

Histadrut conference

Donahue made his remarks at a three-day conference sponsored by the American Histadrut Cultural Exchange Institute and the AFL-CIO Departments of Education and International Affairs. Histadrut is the Israeli labor organization.

The focus of the meeting was the role of American labor in the endeavor to secure peace in the Middle East. The role of Histadrut in developing countries, as well as in Israel, also was discussed.

In his address, Donahue assailed the terrorism of the Palestine Liberation Organization as an instrument of destruction against the Israeli state. The actions of the PLO—in Israel, in Lebanon, in Munich, and elsewhere in the world—speak only of hatred, death, and chaos, he said.

"Even if Israel did not exist," Donahue observed, "the establishment of a PLO state would injure and endanger the economic, political and strategic interest of the United States and the entire Western alliance.

"Therefore, as a matter of self-interest alone, the survival of Israel must remain the keystone of American policy in the Middle East."

Continued support

Donahue said the American labor movement would continue to do everything in its power to prevent any erosion of American support for Israel.

Other speakers at the conference included Israeli Counsel Gen. Benjamin Abileah; Matthew Schoenwald and Herbert Levine, national chairman and director, respectively, of the American Trade Union Council for Histadrut, and Bernard Jacobson, executive vice president of the National Committee for Labor Israel.

Others were Tom Kahn and Dale Good, assistants to AFL-CIO President Lane Kirkland; Laborers Vice President Robert Powell; William C. Doherty, Jr., executive director of the American Institute for Free Labor Development; Patrick J. O'Farrell, executive director of the African-American Labor Center; Charles D. Gray, executive director of the Asian-American Free Labor Institute, and Yehudah Paz, executive director of the Histadrut Africa Asian Institute.

Also, Chris Gersten, special assistant to the president of the Operating Engineers; Meir Gatt, Histadrut representative to the United States and Canada; Danni Bloch, labor affairs counselor, Embassy of Israel; Eugenia Kemble, assistant to the president of the Teachers; Gary Nebeker, assistant director of international affairs, Food & Commercial Workers; Louis Moore, director of international affairs, Communications Workers; AIFLD Regional Director Michael Verdue; AFT International Affairs Director David Dorn; Frontlash Director Jessica Smith; Robert Dolan, coordinator, International Youth Year, U.S. Youth Council; Dan Kubiski, Labor Desk, U.S. Youth Council; Wendy Rosenberg, executive director, Youth Institute for Peace in the Middle East; Fred Hoehler, executive director of the George Meany Center for Labor Studies; Frank Lunney, director of international affairs, Steelworkers; AFL-CIO Economist Elizabeth Jager; CWA Vice President Morton Bahr; Ed Schneider, international relations director, Ladies' Garment Workers; Harry Gordon, general manager of the Clothing & Textile Workers New York Joint Board, and Director Dorothy Shields of the AFL-CIO Dept. of Education.

1982 settlements

Pay gains depressed by sagging economy

First-year increases in major collective bargaining settlements reached in the first nine months of 1982 averaged a modest 3.8 percent, the Bureau of Labor Statistics reported. Measured over the life of the contracts, the wage gains averaged 3.5 percent per year.

The averages compare with 8.3 and 6.4 percent, respectively, when the same parties bargained previously, in most cases two or three years ago.

The increases are the lowest since the government first started keeping records of such settlements in 1968.

The plunge in wage increases "reflects the general sick state of the economy," AFL-CIO Economist John Zalusky observed. "Nearly half of all the workers in major contract settlements had to forgo increases in the first year of their contract.

"These figures show clearly the sacrifices workers have already made. For workers to attain real wage gains, the economy needs to be turned around by full employment action by the new Congress," Zalusky declared.

About 45 percent of the 2.7 million workers covered by the settlements reached in the January-to-September period received no specified wage increase. Most of these are in the troubled auto and trucking industries, where settlements early this year included major wage and benefit concessions.

Workers receiving increases will average a 7.1 percent boost in the first contract year and 5.9 percent annually over the life of the settlements. They are in a variety of industries, including construction, apparel, electrical equipment manufacturing, and utilities.

The BLS data were compiled from private industry bargaining units with at least 1,000 workers.

Two-thirds of all workers under settlements concluded during the first nine months of the year were covered by cost-of-living clauses. Most of these workers will not receive a specified wage increase during the life of the contract, BLS said. Therefore, the average size of settlements with COL clauses was much lower than usual, accentuating the difference between contracts with and without COL provisions.

First-year negotiated adjustments averaged 2.2 percent in settlements with COL clauses compared with 7.1 percent in those without such clauses. Wage adjustments over the life of the agreements were 1.0 percent and 6.7 percent, respectively. Settlements with COL clauses have an average duration of 34 months, while those without such clauses averaged 25 months.

Lowest since 1978

Construction industry contracts showed the smallest increase since 1978. Wage gains for these settlements in the first nine months of this year averaged 7 percent for the first year and 6.9 percent annually over the life of the agreements. These gains compared with 11.3 percent for the first year and 10 percent over the term of the contract when the same parties bargained previously.

In manufacturing, average increases were 2.7 percent for the first year and 2.4 percent annually over the term of the agreements. In non-manufacturing industries, the average gains were 5.1 percent for the first year and 4.6 percent a year over term.

NLRB bars employer penalty levied only on union officers

A sharply divided National Labor Relations Board overturned an arbitrator's ruling and held that a company may not penalize a union officer more stringently than other employees who took part in an unauthorized strike.

The 3-2 decision lined up the three pre-Reagan NLRB members—John H. Fanning, Howard Jenkins, Jr., and Don A. Zimmerman—against Chairman John R. Van de Water and Robert P. Hunter.

At issue was a 30-day suspension levied by the Consolidation Coal Co. in West Virginia against two shop stewards of a local of the Mine Workers. The company had sought to discharge the stewards but an arbitrator reduced the penalty to a suspension. He said a penalty was justified, even though the two stewards had not instigated the walkout, because their participation in it was a greater transgression than that of other workers. An officer of a local union has a greater responsibility for observance of a no-strike clause than rank-and-file members, the arbitrator assumed.

The NLRB majority found this a violation of federal labor law because employees were punished for their union status, not for their actions as employees. Zimmerman noted that he joined in the conclusion that the suspension of the two stewards was unlawful only because the contract "contains no express provision which requires union officers to take affirmative steps to prevent or curtail unauthorized work stoppages." That's the position that was taken by the 3rd Circuit Court of Appeals in a similar case which the Supreme Court has agreed to review. the case.

The wording of the various NLRB opinions and dissents pointed to the depths of the board's division on the issue.

Van de Water termed the majority decision "creative rhetoric," and insisted that shop stewards "are the national leaders of any work stoppage in which they participate."

Fanning and Jenkins said the "inescapable conclusion" of Van de Water's reasoning is that it is proper to punish union officers "not for what they do but merely for what they are." Such a view is "the essence of discrimination" and "repugnant," they said.

Hunter insisted that a higher degree of obligation on the part of stewards and union officers is "inherent in the collective bargaining system" and found portions of the majority opinion confusing. Fanning, in a footnote, retorted that he found Hunter's confusion "inexplicable."

Performances cancelled

Dancers of the American Ballet Theater march in an informational picket line at the Kennedy Center for Performing Arts in Washington to protest ABT's lockout and cancellation of performances. The troupe, represented by the Guild of Musical Artists, has been locked out since Sept. 2, two weeks after its contract with the New York-based company expired. The Theatrical Stage Employes and performing arts unions joined in the demonstration.

EDITORIALS

Solidarity Day II

SOME 13 MONTHS ago, a vast and peaceful army of 400,000 American workers gathered in Washington to deliver a Solidarity Day message of discontent with the direction in which the Reagan Administration was heading.

Unemployment should be fought with jobs, not tax cuts for the rich, these union members and their allies insisted. They carried signs protesting the weakening of occupational health standards, the undermining of prevailing wage laws—and the abandonment of compassion for the needy and the aged.

That was Solidarity Day I.

Because Congress responded inadequately, and the President not at all, the AFL-CIO designated the Nov. 2 election as Solidarity Day II.

Again, the American people have spoken, and it is time for the Reagan White House to listen.

The message clearly is not to "stay the course."

Election Lessons

IN NUMBERS and enthusiasm unprecedented for an off-year election, the trade union movement worked to elect its friends and defeat labor's enemies.

This did not always happen, of course. Nor could all the candidates be so simply categorized.

Nevertheless, in terms of labor's concerns, the new 98th Congress should be a big improvement over its predecessors. And that's good—for all of the American people, not just those who carry union cards.

There is work to be done in shaping a realistic program and giving grass-roots support to the effort to move it through Congress. But we can take out a few moments to relish the election just completed and mull its significance.

We can delight in the voter rejection of a LeBoutillier—a particularly obnoxious right-wing ideologue—and of an Atkinson, who was a special target of Pennsylvania unions after he switched parties and embraced Reaganomics. And we will no longer have California's Rousselot to kick us around.

WE SHARE the disappointment of those labor-backed candidates who fought the good fight and in so many instances came astonishingly close to upset victories that would have turned this election into a total rout for the President's party.

It is shameful that the voters in Mississippi's 2nd District chose an overt racist over the respected and capable black who was the Democratic Party candidate. And it is heartening that the Kansas City district represented so long and ably by Dick Bolling elected a black Democrat to succeed him by a big margin—even though the district's population is overwhelmingly white.

We welcome back to the Senate—with enhanced majorities—those liberal Democrats who were targeted for defeat by the New Right.

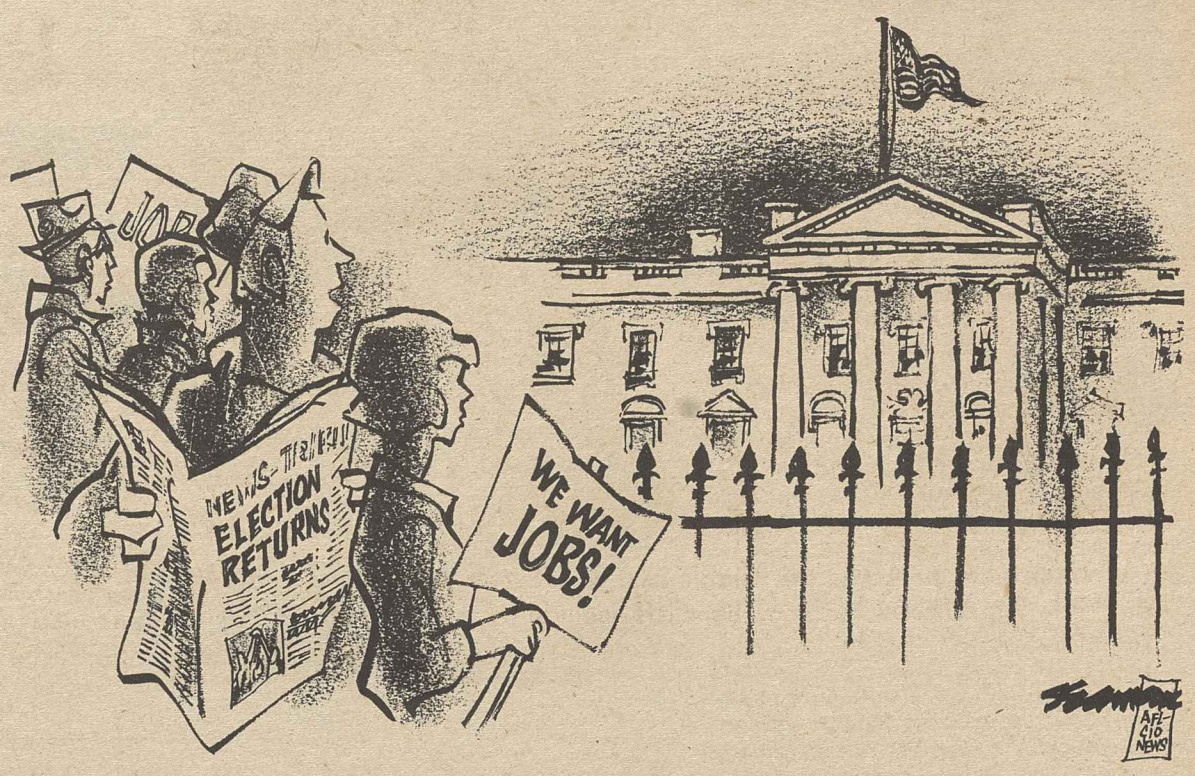
In the statehouses, the new crop of governors will be taking a clearly critical look at the small print in the Reagan Administration's New Federalism proposal.

TWO YEARS AGO, in the flush of the Reagan victory, most of the more moderate Republicans in Congress swallowed their qualms and voted—at least in the first year of the new Administration—to give the President whatever he wanted.

Many of them survived this election only by stressing their distance from the President's program. Their votes in both the Senate and House can be decisive in the new Congress.

There is still a powerful conservative coalition, reduced though it may be in numbers. But it can be overcome by a coalition of mainstream Democrats and non-ideologue Republicans who read the lesson of this election as a call to change course, a demand for jobs and justice.

'Hope He Gets the Message!'



Washington Window

High social costs linked to prolonged recession

By Press Associates, Inc.

The prolonged recession is producing especially harsh consequences for older workers.

Chairman Claude Pepper (D-Fla.) of the House Select Committee on Aging says unemployment among older workers is nearing crisis proportions. There are now 771,000 unemployed aged 55 and over and 1.7 million who are 45 and over—the highest level since World War II.

Unemployment is rising fastest among older workers, too. Since January, unemployment increased 24 percent for those 55 and over, compared to 11 percent for the 16-24 age bracket and 16 percent for all workers.

Once employed, workers aged 55 and over are out of work one-fourth longer than the average unemployed worker. Those 60 or older are three times as likely as other adults over 25 to become discouraged and withdraw from the workforce.

The economic losses are obvious, but the social costs may be even higher, according to experts who testified before Pepper's committee.

As jobs disappear

Dr. Paula Rayman, a sociologist at Brandeis University, conducted a study for the National Institute of Mental Health on unemployment in the aircraft industry in Hartford, Conn., where 30,000 jobs disappeared between 1967 and 1972. "What happened to these workers foreshadowed what soon would happen to hundreds of thousands of others in the industrial heartland of the country," Rayman observed.

All the workers reported changes in financial well-being. These ranged from cutting back on household luxuries and necessities to depletion of family savings, repossessions and evictions.

Included among the psychological and physical health problems reported by the unemployed workers were loss of self-esteem, insomnia, anxiety, increased smoking and drinking, lack of energy, headaches and stomach ailments.

Dr. M. Harvey Brenner of the School of Hygiene & Public Health at Johns Hopkins University emphasized the role of continuous stress from high unemployment in "deteriorated mental and physical health. . . ."

He pointed to a 1976 study by the Joint Economic Committee of Congress which found, in effect, that unemployment can kill.

Mortality rate rises

During the period 1940-1974, there was a strong relationship between national unemployment rates and total mortality rates for people over 65, the report said. Higher rates of death due to homicide, suicide, cardiovascular, renal disease and cirrhosis of the liver among older people also were related to high national unemployment rates.

The study estimated that the 1.4 percent rise in unemployment during 1970 accounted for 51,570 more deaths between 1970 and 1975 than would have occurred had unemployment not increased.

Brenner said similar studies in Canada and England and Wales substantiate the JEC findings.

Another long-range effect cited by Rayman is the social consequence of children watching parents and grandparents, after a lifetime of faithfully following the American dream that hard work brings personal and financial rewards, end up without these rewards.

The experts recognize that programs such as jobless benefits and aid for food, housing and medical care, along with social security, provide necessary cushions. The basic solution calls for policies to modernize the industries where many of the older workers were concentrated, retrain people for today's technology, and point the way toward full employment.

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Gerald W. McEntee

* deceased

Sharp decline cited in OSHA enforcement

Enforcement activities of the Occupational Safety & Health Administration have dropped off significantly under President Reagan, an AFL-CIO analysis of government statistics shows.

On a monthly average, the number of total inspections declined 25 percent during a nine-month period through June 1982 from a comparable time span in 1980 under the Carter Administration, while complaint inspections plummeted 58 percent. During similar periods, citations for willful violations of the federal job safety law under the Reagan Administration were down 89 percent.

The study by the federation's Dept. of Occupational Safety & Health also tracked sharp declines in other OSHA enforcement activities during the first 17 months of the Reagan Administration, including: followup inspections down 87 percent; citations for repeated violations down 64 percent; total penalties down 70 percent, and complaint filings down 50 percent.

The only increase in OSHA activity was in general schedule inspections, which rose 11 percent since Assistant Labor Sec. Thorne G. Auchter took over as head of OSHA.

Bookkeeping gain

But this is more of a bookkeeping gain than an actual step-up in comprehensive plant inspections, AFL-CIO Occupational Safety Director George H. R. Taylor said.

Taylor said that as a result of the "targeting" program instituted by Auchter in October 1981, the majority of general schedule inspections now involve a review of employer records rather than a comprehensive inspection of the workplace.

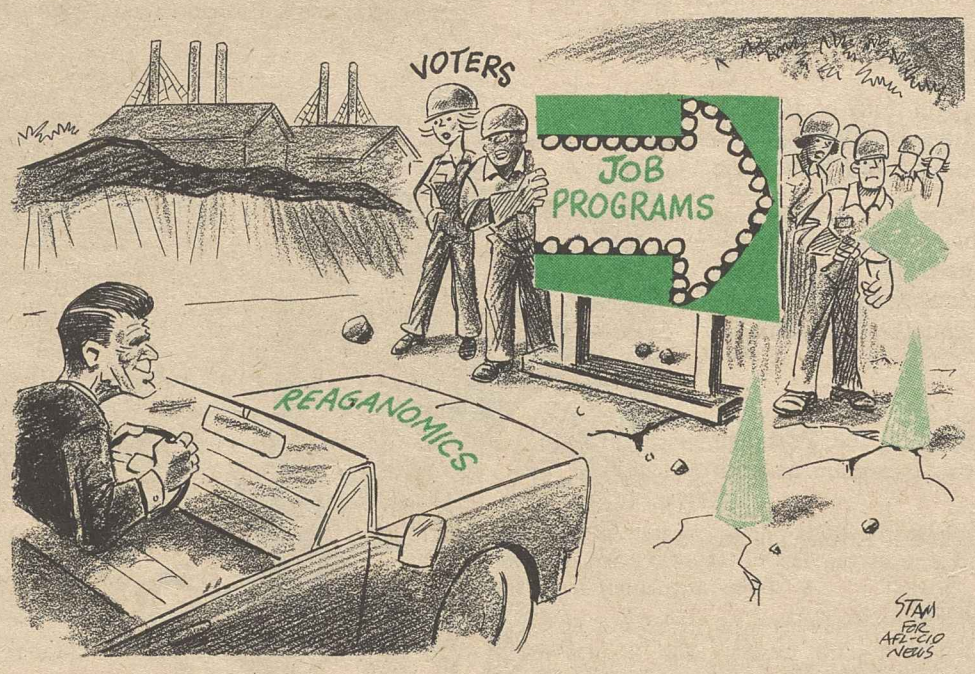
He pointed out that 56 percent of the general schedule inspections that OSHA conducted from October 1980 through June 1982 were employer record reviews.

The AFL-CIO analysis shows that inspections in the manufacturing sector have declined 35 percent under Auchter, to 1,533 a month. Construction industry inspections dropped 5 percent to 2,314 a month and maritime industry inspections declined to 20 percent to 72 a month.

Penalties decline

Other areas of the study show total penalties for violations proposed by OSHA declined from more than $2 million in 1980 to $611,661 in 1981-82, a drop of 70 percent; discrimination complaints on a monthly average dropped from 230 to 81, a decline of 65 percent; proposed penalties for failure to abate hazards dropped from $187,144 per month to $26,692, a decline of 50 percent, and the number of hours per health hazard inspection dropped from 41 to 31.2, a decline of 24 percent, and the amount of time spent per safety inspection was reduced to 12.4 hours, a decline of 22 percent.

Time to Change Course



Drozak terms cargo policy vital to U.S. merchant fleet

Long Beach, Calif.—A national cargo policy that gives U.S.-flag ships a reasonable share of the market is the only way to prevent the death of the American maritime industry, Maritime Trades President Frank Drozak warned.

In an address to the Propellor Club's annual convention, Drozak said U.S. maritime policy must include bilateral shipping agreements, cargo sharing, ratification of the UN Conference on Trade & Development code, and passage of the Competive Shipping & Shipbuilding Act.

The UNCTAD code on liner shipping, formulated in the early Seventies, proposes that 80 percent of cargo be shared by two trading partners, with the remaining 20 percent open to cross-traders, or third countries. The U.S. government has opposed the code's ratification.

The Competitive Shipping & Shipbuilding Act, introduced in the House by Rep. Lindy Boggs (D-La.), specifies that 5 percent of all U.S. bulk cargo be carried on American-flag ships built in U.S. shipyards and manned by American crews. The legislation would require a 1 percent increase in bulk cargo carriage each year until the U.S. share reached 20 percent in 15 years.

Under the Boggs bill, Drozak pointed out, reduction of at least 15 percent in the costs of building and operating bulk vessels in the United States would qualify U.S. bottoms to carry this minimal percentage of exports and imports beginning in 1983.

"I don't have to tell you that this bill will be good for our national security, help turn back the economic depression we are now in, and put thousands and thousands of Americans back to work," Drozak said.

Drozak said new proposals from the Reagan Administration will not work. Taking away the ship construction subsidy and offering in its place a foreign yard ship construction proposal means an end to the berth line operations and the trade routes as they now exist, he observed.

Drozak called the proposal "just another quick fix" plan that would make the problem worse.

Also, not allowing a differential for the one-way grain voyage to Russia means the destruction of many U.S. companies now in the trades today who have over the years paid the American price for American-built ships, he said.

"Until the policymakers in this country understand and accept this truth—that free trade in the rest of the world is only a word and not a fact—this country will continue to lose its industrial base, its shipbuilding base, its merchant marine, and its national security."

Reagan opens attack on rail pension plan

Railroad unions will ask Congress to reject an Administration attempt to dismantle the railroad retirement system and, in President Reagan's words, "free rail labor and management from inappropriate federal intrusion in their affairs."

Congressional committees were cool to the dismemberment proposal when it was advanced earlier this year as a budget proposal. But Reagan reiterated the Administration's position in an Oct. 25 message to Congress which forwarded the annual report of the members of the Railroad Retirement Board.

Reagan proposed to shift railroad retirement unemployment benefits to the states, leave sick pay up to state or private resolution, separate out social security coverage and leave employer-paid pensions to the area of private negotiations.

President Richard I. Kilroy of the Railway & Airline Clerks said Reagan's proposal would abandon "a tested and workable system" and "bring about a chaotic period of uncertainty."

Noting that railroad retirement benefits have been funded by railroad workers and their employers, Kilroy said Reagan was misleading the American people by portraying benefits as coming from federal funds.

Strong opposition voiced

The Railway Labor Executives' Association, representing 20 railroad unions, reiterated its strong opposition to the Administration plan.

Maintenance of Way President O. M. Berge, chairman of the RLEA's Committee on Railroad Retirement, said the unions "are solidly committed to preserving the railroad retirement system and will continue to fight to prevent its dismantlement."

In this effort, Berge said, "we expect our friends in Congress would support us as they have in the past."

Union wins right to challenge ruling of OSHA review panel

The Oil, Chemical & Atomic Workers won a legal skirmish when the Supreme Court declined to block appellate court proceedings in a case involving the sterilization of women workers as a condition for retaining their jobs.

At issue was the union's right, as an affected party, to challenge in court a ruling by the Occupational Safety & Health Review Commission that dismissed an OSHA citation against the American Cyanamid Co.

At the bottom of the stack of legal pleadings and rulings is the still unanswered question of whether an employer can fulfill his obligation under the Occupational Safety & Health Act by barring women of childbearing age from jobs where they are exposed to lead or other substances that would be hazardous to a fetus—unless they have undergone sterilization to remove the possibility of pregnancy.

The union's contention—and the position taken by OSHA when it issued a citation and levied a $10,000 penalty against American Cyanamid—was that such a policy violates the requirement for a safe and healthful workplace.

The U.S. Court of Appeals for the District of Columbia agreed and ruled last February that the union could seek a reversal of the review commission's action dismissing the citation, but held up further hearings on the case to allow American Cyanamid to request the Supreme Court to pass on that issue.

If the appellate court upholds the union position on the applicability of the law, the case would presumably be referred back to the review commission for further proceedings on the facts.

Among other actions, the Supreme Court:

- Agreed to decide whether pension systems can pay lower monthly benefits to women based on actuarial tables showing that women as a group live longer than men. The Supreme Court had earlier invalidated a pension plan that required higher contributions by women employees. The present case involves a deferred compensation plan for Arizona state employees.
- Declined to review an appellate court decision holding that an employer's agreement to use only union labor on its construction contracts was not in itself a violation of federal antitrust laws.
- Agreed to review a case involving a union's handbilling of a shopping mall asking consumers not to patronize establishments there. The union's dispute was with one department store, but there were financial links among the various stores and the corporation operating the mall. The NLRB upheld the union position, as did the 4th Circuit Court of Appeals, but there have been conflicting decisions among circuit courts in similar cases.
- Declined to review an appellate decision that an employer's adamant refusal to consider union proposals for dues checkoff, union security and a no-discrimination clause was proof of failure to bargain in good faith—as the National Labor Relations Board had found.
- Refused to review the appeal of a Pennsylvania cheese processing plant that sought exemption from NLRB jurisdiction on freedom of religion grounds because of its relationship with an Amish dairy cooperative.

COPE chalks up gains

Well over 60 percent of the labor-endorsed candidates for the Senate and House were elected Nov. 2 while the victory record of union-backed gubernatorial candidates was even better.

COPE Dirctor John Perkins said the election of at least 24 labor-endorsed candidates in the 36 contests for governor is the best showing since the Watergate year of 1974 when labor also endorsed 33 candidates and 26 won.

In Senate contests, 20 of the 31 COPE-endorsed candidates—64.5 percent—were elected this year. Perkins said that is the highest winning percentage since 1974 and far exceeds the 34.4 percent of 1980 and the 40 percent of 1978.

According to COPE's incomplete tabulation of House races, 237 of the labor-endorsed candidates, or 63 percent, were elected. That is roughly comparable to COPE's winning percentages of recent years.

Perkins said the Democratic pickup of about 26 House seats exceeded his expectation of 15 to 20.

He said the television network exit polls "were accurate when they found that trade union members voted Democratic by a margin of 2 to 1" on Election Day. "Without a doubt unemployment was the principal issue," he observed.

AFL-CIO news

SATURDAY
VOL. 27, NO. 45
NOVEMBER 13, 1982

MEMO FROM COPE
PAGE 8

Job-creating programs pressed

The Detroit Scene

Long lines of unemployed workers snake their way through a suburban Detroit branch office of the Michigan Employment Security Commission. Double-digit unemployment is nothing new to the Detroit area, where the auto industry has been hard hit by high interest rates and foreign imports. Michigan's jobless rate rose last month from 15.9 to 16.1 percent, considerably higher than the national rate of 10.4 percent.

Kirkland bids Congress act immediately

By James M. Shevis

A new surge in the nation's unemployment rate to 10.4 percent in October—the highest level since 1940—portended a grim holiday season for millions of Americans, and heightened the need for federal job-creating programs.

"Those millions of Americans standing in the unemployment lines cannot wait for a new Congress to write a new jobs program," warned AFL-CIO President Lane Kirkland as he called for immediate action to halt the further erosion of jobs.

"We call on the current Congress to enact legislation which would create jobs by stimulating the housing industry and by starting to rebuild the collapsing network of highways, bridges, public facilities, and services."

Kirkland told a news conference that the October increase in unemployment to 10.4 percent was "an economic and social disaster." And he pointed to Republican losses in the 1982 elections, in which high unemployment was a major issue, as a clear call for change in the economic course set by the Reagan Administration.

Specific job-creation programs are already in place that could be acted on during the "lame duck" session of Congress that convenes on Nov. 29, Kirkland said. There is a public works bill ready for action in the House, and authority on the books for housing programs that only require appropriations, he observed.

Public works jobs

The House public works bill would provide about a quarter of a million jobs directly and additional employment in related fields, Kirkland said. But he stressed the need for quick action, pointing out that it takes time to get programs translated into jobs.

"It'll be a very, very hard winter for millions of people," he said. "We can't afford delay. I think the people need a message of hope from the Congress. That's what they called for when they went to the polls in what reports tell me were very considerable numbers for an offyear election."

Continued on Page 4

Budget slashes cripple human service agencies

Federal budget cuts have crippled the ability of American cities to cope with the growing need for human services, according to a survey released by the U.S. Conference of Mayors.

The study, conducted in October, found that city agencies cannot meet even 50 percent of the current demand for such basic emergency services as food and shelter.

Other services—employment and training, health care and aid to the elderly—that have been the victims of the steepest budget cuts are almost non-existent in many of the 55 cities that participated in the survey.

The mayors' conference said the findings of the survey support its demands, and those other of other organizations representing local government, that the Reagan Administration "halt further domestic budget cuts."

The report pointed out that the massive cuts in federal social programs have magnified the problems growing out of soaring unemployment and the deepening recession.

Continued on Page 4

Democratic gains boost state legislative outlook

By David L. Perlman

Democrats scored impressive gains in elections to state legislatures, generally brightening the outlook for labor's program and diminishing the threat of new anti-labor laws.

One or both houses of legislatures in nine states shifted from Republican to Democratic control. Only Alaska tilted the other way.

Including four states that did not elect state legislatures this year, Democrats control both houses of 34 legislatures, and 24 of these states also have Democratic governors.

Republicans control 11 legislatures, but only four of those states also have Republican governors. Four states have divided legislatures, and members of Nebraska's single-house legislature do not run under party labels.

Both houses of the Iowa and Washington state legislatures moved from the Republican to the Democratic column, and single-house shifts took place in Delaware, Illinois, Maine, Montana, North Dakota, Ohio and Pennsylvania. In most other states, Democrats gained seats to either increase existing majorities or narrow Republican advantages.

There were no legislative elections this year in Kentucky, Louisiana, Mississippi and New Jersey.

This year's elections wiped out Republican gains in 1980, when the GOP pumped unprecedented sums into legislative campaigns in an effort to gain control of the redistricting of congressional seats following the census reapportionment. It also recaptured most of the GOP pickup in the previous election.

Both parties controlled an equal num-

Continued on Page 2

Counseling expanded

Unions helping jobless to cope

By Susan Dunlop

The Reagan Recession is driving Americans to the unemployment lines in record numbers, and to meet the crisis the labor movement is stepping up its services to jobless workers and their families.

A marked increase in requests for help has been noted by the AFL-CIO Community Services network and by central labor council community services committees.

In some cases, community resources are beginning to feel the strain of the growing demand, Community Services Director Walter Davis noted. As the unemployment situation gets worse, he observed, there is real concern that some aid programs funded by private agencies, such as emergency "food pantries," could dry up altogether.

The federation's Dept. of Community Services works directly with labor liaison representatives on the staffs of United Way agencies or the Red Cross in 196 major cities. In addition, state and local central labor bodies and many local unions have community services committees.

Trained volunteers

The department encourages the training of local union counselors with the help of local social services agencies. These volunteers are prepared to refer union members to community resources where they can get help, and many also act as advocates for workers having trouble obtaining aid, Davis said.

Community service representatives and union counselors play a crucial role in times of massive unemployment, he said. They help workers, many facing long-term unemployment for the first time, with financial management, mortgage and credit problems, referrals for food stamps and health care, as well as job placement and retraining programs, Davis stressed.

The Dept. of Community Services offers pamphlets in both English and Spanish on services to the unemployed and on the training of union counselors.

The AFL-CIO's Human Resources Development Institute is in the business of "getting the laid-off worker re-employed," HRDI Executive Director Mike Arnold points out, but in the meantime basic needs such as food, shelter and health care have to be met.

HRDI has conducted 37 "displaced worker" programs since July, in cooperation with the Dept. of Community Ser-

Continued on Page 5

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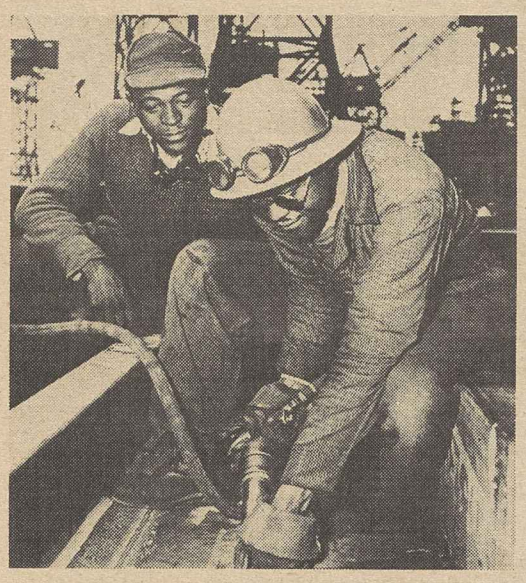
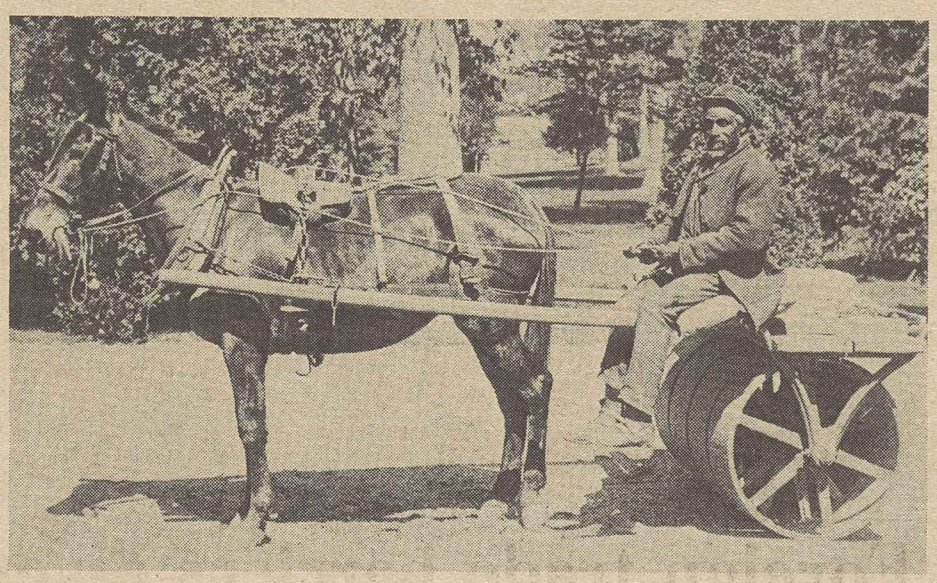




Black workers building a new world

Fifty historical photographs depicting the struggle of black workers dating back to the mid-1800s make up a traveling exhibition sponsored by the Smithsonian Institution. The show features the work of noted photographers such as Lewis Hine, Gordon Parks, Doris Ulmann and Francis Benjamin Johnston. It includes a picket line picture of the late A. Philip Randolph, a founder of the Sleeping Car Porters and an AFL-CIO vice president. The tour began last month at Loomis Chaffee School in Windsor, Conn. It will make additional stops in North Carolina, West Virginia, and Minnesota through next May. These four photos are of oystermen in Florida, 1912; a government charwoman, 1942; shipbuilders, 1943, and a road construction worker, 1870s.

Elections tilt legislatures to Democrats

Continued from Page 1

ber of state legislatures after the 1968 elections, with a slight GOP edge in governorships. Then followed an era of steady Democratic gains, until the political tide turned in 1978.

Increased conservative strength over the past two years has been accompanied by efforts to repeal state prevailing wage laws, a revival of "right-to-work" proposals to prohibit union shop agreements and other attacks on labor standards.

These are the states where the most significant party changes took place:

Alaska—The Senate tilted from a 10-10 tie to 11 Republicans, 9 Democrats. The House no longer has its two Libertarians. But it has a new 21-19 Republican majority. The governorship, however, switched from Republican to Democratic.

Delaware—A 25-16 Republican majority in the House was turned around. It's now 25 Democrats, 16 Republicans. The state Senate stayed Democratic.

Illinois—Democrats took over control of the House and widened their previous 30-29 edge of the Senate to a more comfortable 33-26 majority. The House previously had 86 Democrats and 91 Republicans. The number of House districts was reduced by previously adopted constitutional amendment. The new lineup is 68 Democrats, 49 Republicans. The result, State AFL-CIO officials expect, is that labor's emphasis will be on passing needed legislation instead of defending unions.

Iowa—Democrats won both houses of the legislature. The Senate shifted from 21 Democrats, 29 Republicans to a 28-22 Democratic majority. The House turned from a 55-45 Republican majority to a likely 60-40 Democratic control.

Maine—The Senate turned around from a 17-17 Republican edge to a 23-10 Democratic majority, and Democrats increased their House control from 82-69 to 93-57, with a tie for one seat.

Montana—A 57-43 Republican majority in the House was changed to a 54-44 Democratic advantage. The Republican majority in the Senate dropped to 26-24.

Nebraska—Only half of the unicameral Nebraska legislature was elected this year. But COPE-endorsed candidates won 15 of 24 seats, the State AFL-CIO reported.

North Dakota—The House division had been 27 Democrats, 73 Republicans. In the new legislature, it will be 55 Democrats, 51 Republicans.

Ohio—Going into the election, Ohio had a divided legislature and a Republican governor. Democrats strengthened their majority in the House, captured a 17-16 majority in the previously Republican Senate, and elected a governor.

Pennsylvania — A 103-100 Republican edge in the House turned into a Democratic majority of 102-101. Republicans kept the Senate.

Washington—Party lineups were almost exactly turned around as Democrats took over both bodies of the legislature. The Democratic majority is 25-24 in the Senate and 54-44 in the House. The holdover governor is Republican.

Study links health problems to long-term unemployment

Unemployment is a serious threat to health and the quality of life, and these factors should be taken into account by people who set economic and social policies, a team of social scientists concluded in a recent study.

An individual worker's physical and emotional health can be strained to the breaking point as a result of long-term joblessness, Boston College psychologist Ramsay Liem and Brandeis University sociologist Paula Rayman said in a study, "Health and Social Costs of Unemployment," in the October 1982 issue of American Psychologist. The researchers also cited evidence showing that the problems caused by unemployment "ripple" over to workers' families and their communities.

Direct link

In their review of several studies of joblessness, Liem and Rayman found that while physical and mental responses to unemployment are complex, health problems and emotional strain are "direct consequences" of job loss.

They pointed to studies which linked periods of economic decline to "indicators of strain" including higher rates of death from cardiovascular and alcohol-related diseases, increased infant mortality, more first admissions to psychiatric hospitals, increased demand for other mental health services and a higher suicide rate.

"Unemployment does not simply happen to individuals," the researchers said. They cited a study showing wives in families suffering long-term unemployment were significantly more depressed, anxious and sensitive about family relationships than wives in families where husbands were working.

The "changed family environment" brought on by unemployment creates stress and "increased disorganization" in family life, the researchers said. They pointed out that in the same study, marital separation was three times more common in "unemployed" compared to "employed" families.

Another study, conducted over a 10-year period in the aircraft industry, revealed that an overwhelming majority of people unemployed during the period had episodes of serious physical or emotional problems including high blood pressure, alcoholism, increased smoking, insomnia, anxiety and many other physical and emotional symptoms associated with strain.

Rayman and Liem said their research indicates that "the primary assumption informing overall policy on unemployment should be that job loss brings costs of personal health and the quality of family life" and that these factors "should figure centrally in the formulation of unemployment policy."

Involvement urged

Joblessness must be looked at not simply as "a problem in economics, but as a factor in human and social welfare," they stressed, urging that "the helping professions" get more involved in the formulation of economic policy "that influences the amount and distribution of unemployment in the population."

Where these policies mean more unemployment, Liem and Rayman said, "there must be accountability not only for the economic consequences to those affected but also for the personal and social costs."

Correction

The Washington Window column that appeared in the Oct. 23 issue of the AFL-CIO News incorrectly identified Donald Booth as a member of the Steelworkers. Booth is a member of Marine & Shipbuilding Workers Local 24 of Baltimore.

Ballet Theater's dancers approve 4-year contract

New York—Dancers of the American Ballet Theater overwhelmingly ratified a new contract that will provide substantial improvements in salaries and benefits over four years. The vote was 61 to 4.

The economic package will for the first time bring ABT dancers to parity with the New York City Ballet pay scale—a major collective bargaining objective.

The settlement negotiated by the Guild of Musical Artists ended a two-month ABT lockout that resulted in the cancellation of performances for the 91-member troupe in Paris, Boston and Washington.

After agreement was reached, ABT management announced that a portion of the Washington engagement would be reinstated in mid-January.

Benefit improvements

Joan Greenspan, AGMA associate executive secretary, said the new agreement also provides improvements in vacations and job security, as well as doubling supplementary unemployment benefits.

Greenspan said the union's key bargaining goals were achieved in the four-year agreement. Other first-time provisions include vacation pay, severance pay and expense payments for single-occupancy rooms while on tour.

The wage package provides increases ranging up 74 percent, AGMA chief negotiator Frank Smith reported. In the last year of the agreement, weekly salaries for fifth-year corps de ballet dancers will rise to $630; for soloists to $750, and for principals to $865. The new agreement extends the ABT season to 43 weeks from 40 weeks under the pact that expired Aug. 31.

The ABT management locked out the troupe Sept. 2 after the dancers rejected the company's offer of a 30-percent pay increase and a demand for givebacks.

Voter turnout up

An estimated 41 percent of Americans of voting age cast ballots on Nov. 2, reversing a 20-year downward trend in off-year elections.

Curtis Gans, head of the Committee for the Study of the American Electorate, said the turnout in the 1978 election was 37.9 percent. Seven states had turnouts over 50 percent this year, he said. They were Minnesota, South Dakota, Alaska, Montana, Utah, North Dakota and Oregon.

The 41-percent voter participation is the highest for a mid-term election since 1970, the year before the voting age was dropped to 18.

Manufactured imports swell trade deficit

A sharp swing of nearly $15 billion in the trade of manufactured goods—from a surplus of $6.9 billion last year to a deficit of $7.7 billion this year—dramatized the impact the Reagan Recession is having on the nation's merchandise trade deficit.

In reporting a $33.8 billion deficit for the first nine months of 1982, the Commerce Dept. said the red ink represented a 5-percent rise over the $32.1-billion trade deficit for the comparable period in 1981.

In the past few years, the United States has enjoyed a surplus in the trade of manufactured goods, but the recession which has shut down plants and assembly lines, has brought about a serious turnaround in this area.

In the machinery and transportation category, the U.S. trade surplus has been more than cut in half, falling from $19.5 billion for the first nine months of 1981 to $9.1 billion for the first nine months of 1982.

Machinery exports fall

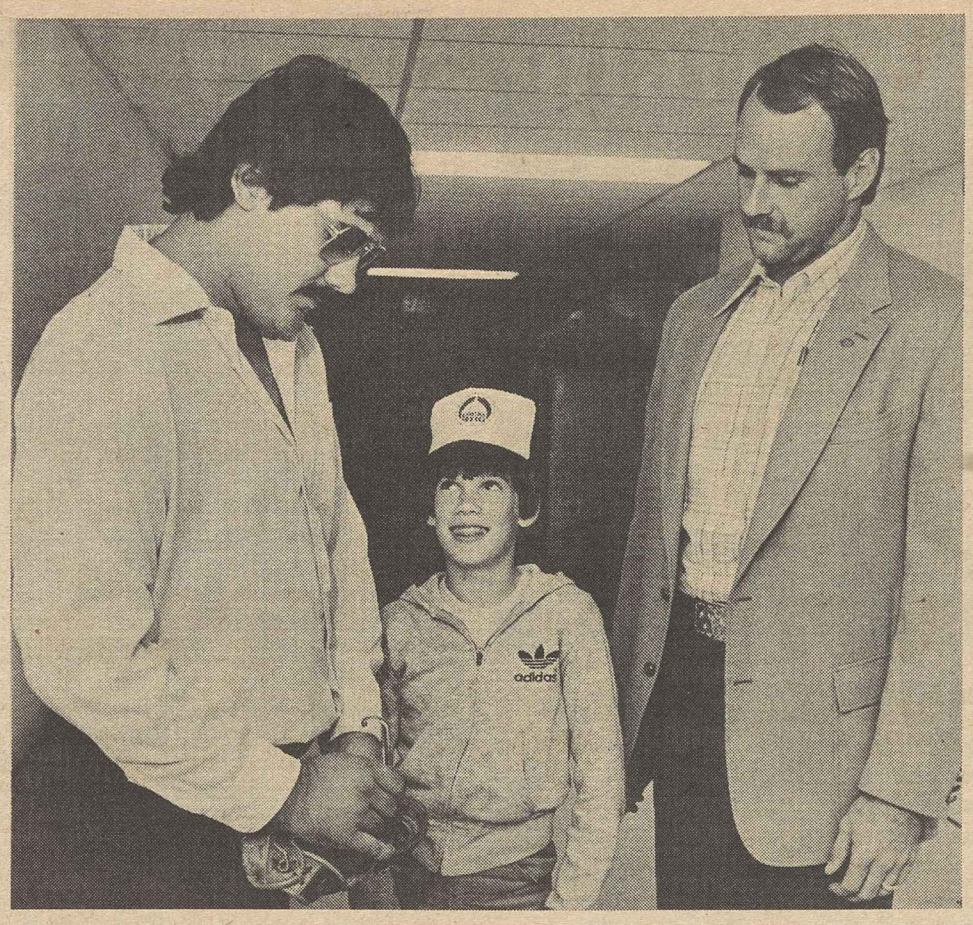
While U.S. exports of machinery fell by 7 percent, or about $5.2 billion, imports into the United States increased by nearly 10 percent, also about $5.2 billion. This sector, which includes industrial machinery, computers, telecommunication equipment, and aerospace equipment, constitutes the core of U.S. industrial strength.

Since the recession began 16 months ago, this sector has lost 670,000 jobs, a decline of 10 percent.

Also aggravating the deteriorating trade picture was a deepening of the deficit in miscellaneous manufactured goods.

As a result of the Administration-supported tight money policy of the Federal Reserve Board, the trade-weighted value of the U.S. dollar has soared by 30 percent relative to the currencies of the nation's major trading partners since January 1981.

This increase in the value of the dollar makes it less expensive for Americans to buy foreign goods and, at the same time, raises the cost of U.S. goods sold abroad.



Good catch

Autographing baseball gloves is not out of bounds for National Football League Players Association members. The mitt was the only sports item young Ian Stack had handy when he cornered Washington Redskins veterans Russ Grim, left, and Dallas Hickman after a stewards meeting of Food & Commercial Workers Local 400 where they explained the NFLPA's bargaining objectives. The local stewards voted unanimous support of the players' union.

Foreign trade barriers divert flood of shoes to U.S. market

Unfair trade barriers set up by other nations have diverted millions of pairs of foreign-made shoes into the U.S. market and destroyed jobs here, a union-employer coalition charged in a petition filed with the U.S. Trade Representative.

The Footwear Import Action Committee, which includes the Clothing & Textile Workers, the Food & Commercial Workers and the Footwear Industries of America, Inc. called on the trade representative's office to take steps to persuade eight countries and the European Economic Community to drop their barriers against shoe imports.

The countries named in the petition are France, Italy, Spain, the United Kingdom, Brazil, Korea, Taiwan and Japan as well as the European community.

The committee pointed out that the United States is virtually the only nation with a completely open market for non-rubber footwear, so the high barriers set by other countries have resulted in the diversion of more than 100 million pairs of shoes into the United States and a loss of more than 40,000 U.S. jobs in recent years.

The trade representative's office has 45 days to decide whether or not to accept the petition charging the countries with violations of the Trade Act and the General Agreement on Tariffs & Trade (GATT).

Imports make up about 60 percent of the U.S. footwear market.

About 56 percent of all imported shoes come from Korea and Taiwan, the group said, yet those countries maintain stiff restrictions against imports.

Taiwan, for example, shipped 128 million pairs of shoes to the United States in the first eight months of 1982.

AFTRA moves to safeguard assets during antitrust appeal

The American Federation of Television & Radio Artists has filed a Chapter 11 bankruptcy petition to protect the union's assets while it appeals a punitive antitrust award.

AFTRA Executive Sec. Sanford I. Wolff said the legal step will allow the union and its locals to continue serving the membership. Neither the antitrust award nor the bankruptcy proceeding affect the union's pension and welfare fund, he stressed.

A San Diego jury last spring awarded $10.5 million in triple antitrust damages and costs to a small non-union firm that claimed it had trouble marketing its advertising jingles because it had been placed on AFTRA's unfair list.

The same firm, Tuesday Productions, has followed up its action against AFTRA with a similar antitrust suit against the Screen Actors Guild. The SAG case is awaiting trial.

Danbury Hatters case

The antitrust judgment had overtones of the Danbury Hatters case early in the century, when heavy penalties were levied against the Hatters union and its members for "damages" inflicted by a union boycott. Outrage at this interpretation of the Sherman Antitrust Act helped bring about passage of the Clayton Act in 1914, which excluded labor disputes from most antitrust prosecution. Anti-union groups in recent years have campaigned for the elimination of the antitrust exemption.

The bankruptcy move resulted from the insistence of the trial judge, U.S. District Judge Judith N. Keep, that AFTRA put up a bond equal to the amount of the judgment while its appeal was pending.

AFTRA offered a bond of $2.5 million, which a union attorney said was all the union could scrape up.

Bankruptcy process

When this was unacceptable to Tuesday Productions, which wanted the union to assess its membership for the bond, AFTRA opted for the bankruptcy process, which allows an organization to continue to operate under court supervision of its assets while working out a way to pay its debts.

AFTRA attorneys are hopeful that the judgment will be overturned on appeal so that there won't be any debt to pay off.

According to press accounts, Tuesday Productions sought to operate as the advertising jingle equivalent of the construction industry's "double-breasted" contractors—a non-union operation for customers who didn't want to pay AFTRA scale or make "residual" payments for repeated use of the same commercial, while meeting union requirements for some larger customers. It claimed that refusal by advertising agencies under contract with AFTRA to handle its commercials amounted to an illegal secondary boycott that was not immune from antitrust prosecution.

As an added safeguard of the union's assets, AFTRA's Los Angeles, San Diego and New York locals joined with the parent union in filing the bankruptcy petition.

Rail workers endorse plan to buy Conrail

Railroad unions got the go-ahead signal from their members to try to arrange for employee purchase of Conrail—the government-owned freight system formed in 1976 from the consolidation of seven then-bankrupt Northeast railroads.

A committee of the Railway Labor Executives' Association has been exploring employee ownership as a way to preserve the system and avert reductions in service and destruction of jobs. The Dept. of Transportation is under a congressional mandate to sell off the system.

Unions polled their members as to whether the cooperative effort to achieve employee ownership of Conrail should be continued. The response was overwhelmingly in favor, RLEA Chairman Fred A. Hardin said.

Employee ownership

In a letter to Transportation Sec. Drew Lewis, the RLEA task force stressed that the union role is confined to helping arrange for employee ownership and that the unions would neither own stock nor share in the management of Conrail.

As the unions see it, employees have already made a big downpayment toward the purchase of the Conrail system by deferred pay increases and other pay concessions, and in the 15 percent of Conrail assets committed to future employee benefits. Wage concessions made in a three-year contract negotiated in 1981 are estimated at $200 million a year.

Hardin noted also that sale to employees rather than a private firm seeking a tax shelter would save the government large sums in tax revenue.

He said the task force intends to seek private financing for acquisition costs in addition to the employee equity.

Hardin is president of the United Transportation Union, and the other task force members are President Richard I. Kilroy of the Railway & Airline Clerks; President O. M. Berge of the Maintenance of Way Employees, Vice President Andrew M. Ripp of the International Brotherhood of Electrical Workers, and Vice President Albert A. Terriego of the Transport Workers. The task force's consultant in the negotiations is Brian M. Freeman, a former Treasury Dept. official.

Task force meetings

The task force was set up last April and has had meetings with Conrail management, Dept. of Transportation officials and private investment firms.

The ownership path is being followed, Hardin said, because "employees know better than anyone else that if they do not act the railroad is likely to be acquired by speculators, entrepreneurs, other railroads, or others who are apt to reduce service, 'cherry-pick' the assets, and terminate a significant number of employees."

Fraser quits Chrysler post

Detroit—Auto Workers President Douglas A. Fraser announced he is "temporarily suspending" his membership on Chrysler Corp.'s board of directors until the union's collective bargaining disputes at the company's Canadian plants and in the United States are resolved.

At a news conference, Fraser said his action was aimed at eliminating any perceived conflict of interests in his roles as UAW leader and Chrysler board member. "In terms of reality," he added, "we have never discussed any collective bargaining matter on the Chrysler board since I have been a member."

Fraser, the only union leader to sit on the board of a major American corporation, was elected to his seat May 13, 1980, as the company sought to skirt bankruptcy. UAW members over the past three years have made concessions to enable the firm to qualify for federally guaranteed loans.

Meanwhile, Chrysler said it will lay off 2,500 U.S. workers as the result of a strike by 10,000 Canadian Chrysler workers that began Nov. 5. The American employees increases the cost of U.S. goods sold vehicles assembled in Canada. Eight of the facilities are in Michigan, five in Ohio, two in Indiana, and one in Alabama.

The Canadian strike was called in response to the company's refusal to offer an immediate pay increase. Last month, Chrysler workers in the United States rejected a tentative contract linking wages to future profits, without an immediate pay boost, but voted subsequently to stay on the job and resume negotiations after the first of the year.

Chrysler has said it would not settle with its Canadian workers until it reached an agreement in the United States. But Fraser pointed out that negotiations could resume before Jan. 1, when talks with U.S. workers are slated, if the company makes a new offer.

11.6 million unemployed

Terming the nation's 10.4 percent jobless rate "an economic and social disaster," AFL-CIO President Lane Kirkland called for immediate congressional action to address the problem. He told reporters at a Washington news conference that "those millions of Americans standing in the unemployment lines cannot wait for a new Congress to write a new jobs program."

CBS report on Coors boycott branded 'shoddy journalism'

A CBS News presentation on the "60 Minutes" television program dealing with the Coors boycott was produced in a biased fashion that distorted the image of the labor movement, the AFL-CIO said.

"It was a piece of shoddy journalism," Information Director Murray Seeger charged in a letter to the program's executive director, Don Hewitt.

The program was aired on Sept. 26.

Seeger pointed out that the AFL-CIO had sought an opportunity to explain labor's position in the dispute with Adolph Coors Co. when it was learned that CBS was shooting the presentation for a segment of 60 Minutes.

"Despite these notices, CBS presented a version of the boycott issue without consulting AFL-CIO headquarters," Seeger wrote. "The program itself never explained the origin of the boycott, referred to the original collective bargaining dispute between a directly affiliated local union of the AFL-CIO, or explained the basis of the boycott which was imposed by the AFL-CIO in 1977."

Although AFL-CIO Field Rep. A. David Sickler was interviewed on the program, he was not given an opportunity to rebut accusations made by Coors management.

Seeger pointed out that even though Sickler had been interviewed before Coors spokesmen were, Sickler's comments were edited to appear that he was responding to management. His explanations detailing the nature of the boycott were deleted by editing, Seeger said.

Union members excluded

The letter to Hewitt noted that "CBS also chose not to put on the air any of the union members who voted unanimously to strike the Coors plant in 1977 after rejecting the management's final demands for contract provisions which would have permitted intolerable invasions of individual privacy rights."

Seeger asked the network for air time in a future 60 Minutes program to enable the AFL-CIO to present a factual view of the boycott.

"While we hope it will not prove necessary," Seeger said, "we are prepared to make a fairness complaint to the Federal Communications Commission."

First GM plants selected to test life security plan

The Auto Workers and General Motors Corp. jointly announced the selection of three GM plants where "lifetime job security" pilot projects will be conducted. A fourth plant will be selected shortly.

The concept for the projects is spelled out in the UAW's national agreement with GM that was negotiated earlier this year.

In implementing the contract provision, UAW Vice President Owen Bieber and GM Vice President Alfred S. Warren, Jr., announced that the selected sites are a Buick plant at Flint, Mich., a Fisher Body plant at Grand Rapids, Mich., and a New Departure-Hyatt Bearings plant in Bristol, Conn.

Minor details must be worked out for the selection of the fourth plant, they said.

"The pilot project represents a major step forward toward greater job security for the UAW-General Motors workers," Bieber and Warren said. "We jointly agreed to this pilot project during our bargaining, recognizing that job security is of paramount concern to the people in the plants."

As spelled out by the national agreement, the projects are designed to develop experience in providing protection against permanent layoffs for most GM workers during the term of the contract.

The projects are to be developed mutually by local unions and local management, subject to approval by the UAW leadership and GM's industrial relations department. The agreement rules out plant closings at the project sites except in the event of serious physical disasters.

Unemployment 10.4%

Kirkland urges action to create needed jobs

Continued from Page 1

The 10.4-percent jobless rate reported by the Bureau of Labor Statistics represented an increase of three-tenths of 1 percent over September and was the highest since the 14.6-percent annual rate in 1940. In 1933, at the depth of the Great Depression, the annual rate reached 24.9 percent.

Counting "discouraged" workers—those who have given up their search for jobs—and half of those employed part-time because that is the only kind of work they could find, the true jobless rate for October would have been 14.8 percent, with 16.6 million unemployed, the AFL-CIO Dept. of Economic Research said. The government does not include these categories of workers in calculating the official jobless rate.

The BLS report followed a Labor Dept. announcement that the number of Americans receiving unemployment benefits hit a record 4.7 million in mid-October. But that means that among the 11.6-million officially unemployed workers, 60 percent were without unemployment compensation.

Also, the unemployed are finding it harder to get jobs once they have been thrown out of work. BLS Commissioner Janet Norwood, appearing before the congressional Joint Economic Committee, said the Reagan Recession has resulted in an increase in the duration of unemployment.

"In October, 35 percent of the total unemployed had been jobless for 15 weeks or longer and nearly 20 percent of the total for six months or more," she said.

Need for new policies

In a background paper on the unemployment situation, the AFL-CIO said the need for new economic policies is amply demonstrated by the October figures.

"Major new jobs legislation is overdue to employ people in revitalizing the housing industry, in rebuilding the nation's infrastructure of highways, bridges, ports, railroads, and sewers, and in meeting the public service needs of the country," the federation said.

"It is also time to start on a new program to reindustrialize America. Only through these undertakings will the unemployed have some hope in the near term."

Widespread suffering and hardship lay behind the cold numbers released by the government. Nearly every major worker group registered an increase in joblessness over the month. Twenty-three percent of all construction workers in the nation were unemployed. And joblessness among black workers remained at the extremely high level of 20.2 percent.

The unemployment rate for white workers rose from 9 to 9.3 percent over the month. The jobless rate among workers of Hispanic origin went up from 14.6 to 15.2 percent. Among blue-collar workers, unemployment increased from 15.6 to 15.9 percent. The rate for manufacturing workers went from 13.8 to 14.1 percent.

Unemployment continued to increase sharply for adult men, rising from 9.6 to 9.8 percent; for adult women, from 8.3 to 8.6 percent; for teenagers, from 23.7 to 24 percent. In Michigan, joblessness rose from 15.9 to 16.1 percent, and five of the nation's 10 largest states now have a jobless rate above the national average of 10.4 percent.

"Since July 1981 (when the recession began), unemployment has risen by 3.7 million, with virtually all of the increase occurring among persons laid off or permanently separated from their jobs," BLS said. "Persons who have lost their jobs now account for over 63 percent of total unemployment, compared with about 50 percent in July a year ago."

Manufacturing jobs hit

Most of the lost jobs were in manufacturing. The BLS's Norwood noted that "because this recession is concentrated in the goods-producing sector where nearly all jobs are full-time and this sector employs a high proportion of prime age males, jobless rates for both of these groups are at record highs."

The total number of jobs in the economy fell by 627,000 to 99.1 million in October as layoffs not only continued but opportunities for new job entrants failed to materialize. The number of unemployed would have risen even more if the labor force had not shrunk by 340,000 to 110.6 million.

For those Americans with jobs, actual work hours dropped by one-tenth of 1 percent to an average 34.7 hours, indicating a worsening of employment conditions.

Joseph Egan heads IUE's GE conference board

Joseph Egan has been elected chairman of the Electrical, Radio & Machine Workers' conference board representing 60,000 General Electric Co. workers.

The post had been held since 1968 by John Shambo, who died Sept. 1 of leukemia.

Egan served as president of IUE Local 119 in Philadelphia for seven terms and is a vice president of the Philadelphia AFL-CIO. He had been secretary of the GE conference board since mid-1981.

Human service needs swamp city agencies

Continued from Page 1

The need for services has increased especially among the "working poor," many of whom are losing public or private jobs and benefits and are being forced back on welfare, the study found. It said human service agencies are facing a tidal wave of the "new poor" who have lost their jobs, exhausted their unemployment benefits, come to the end of their financial resources and are losing their homes.

Citing "drastically reduced federal budgets, limited state and local revenues and worsening economic conditions which contributed to client loads," the report observed that economic conditions and joblessness are not going to get better "in the near term."

Looking ahead to 1983, it predicted that the gap between the need for services and the ability of public agencies to provide them will get wider.

To make matters worse, "as benefits run out for more and more unemployed workers concentrated in the cities, the demands placed on human services programs by the unemployed workers and their families will stretch those programs far beyond their capacities," the mayors' conference said.

The growing number of poor and jobless people in American cities, the survey stressed, "will have fewer services available to them, fewer opportunities for relief from the human misery that accompanies joblessness and poverty."

Block grants

Two-thirds of the cities surveyed reported that conversion to state block grants in 1982 had hurt rather than helped their local human services programs. Most felt that funds had not been adequately passed through the state system to them, and 70 percent complained that they had not been fairly represented in the state planning processes that determine where the money goes.

To try and make up for the cuts, cities reported they were dipping into local general revenues, looking for increases in private sector contributions, and, in a very few cases, tapping into other federal funding resources.

But the study pointed out that other community programs and services have also suffered federal budget cuts, leading to reductions in police, fire and sanitation services and continual deterioration of streets, sewers and other public facilities.

Employment and training, health and senior services programs were identified most often by the city officials as those most severely damaged by the federal cutbacks. Energy assistance and child day care also have suffered sharp curtailments.

In employment and training, the cities reported as much as a 56-percent cut in funds available for these programs in 1982 with a 68-percent cutback likely in 1983.

"In cities across the country," the report said, "human services officials can provide case studies that reflect the serious family and personal problems that have been created or exacerbated by current economic conditions," particularly joblessness.

"Sunbelt" cities in the South and Southwest also report severe strains on human services resources due to the influx of unemployed workers and their families from other states lured by rumors of jobs. Many must turn to city agencies for food, shelter, health care or jobs, the survey said, but the agencies "too often cannot respond."

Report on forced labor indicts Soviets

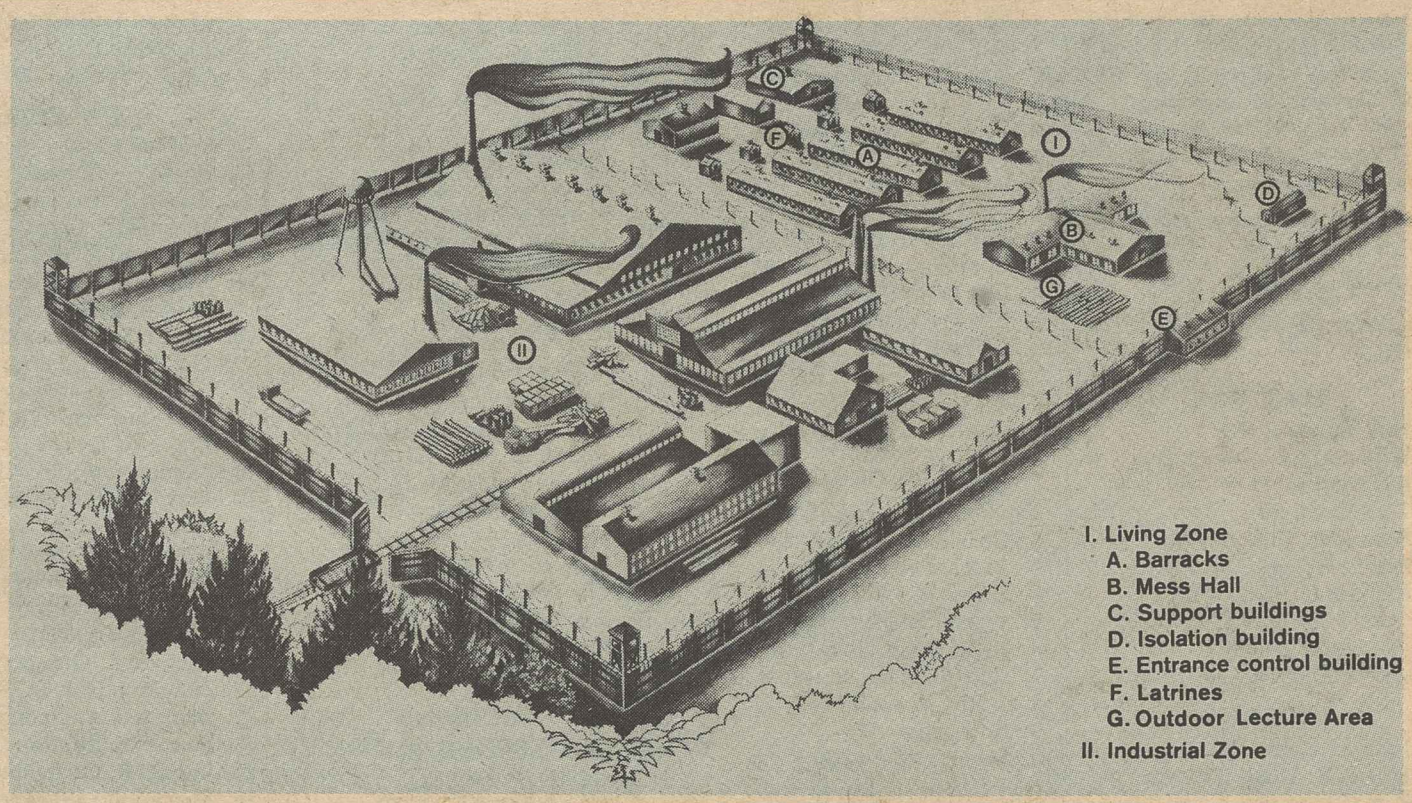
A State Dept. report estimating that some 4 million Soviet citizens are now engaged in what amounts to forced labor underscores the "moral urgency" of denying credit to the Soviet bloc of nations, the AFL-CIO declared.

"While Western democracies may not be able to prevent forced labor in the Soviet Union, we need not be accomplices in this barbaric practice," Federation President Lane Kirkland said in a statement commenting on the report. "An economic system that requires slave labor is not a system that should be underwritten by free men and women.

"Economic questions aside, it is morally unconscionable that forced labor projects should be financed by Western credits and technology."

The use of forced labor in the Soviet Union has a long history. The first time forced labor in the USSR was raised as a serious issue was in 1948, when the American Federation of Labor proposed that the International Labor Organization undertake a survey of forced labor in all member countries.

While that survey found little evidence of forced labor in non-communist countries, it left no doubt that in both law and practice the Soviet Union employed forced labor in the interests of its national economy and as a means of political coercion.



A typical Soviet forced labor camp, according to U.S. intelligence sources, houses up to 1,000 prisoners. Several rows of fencing are used for security. Prisoners in the large industrial camps may never leave the compound during their confinement. Some 4 million Soviets are engaged in forced labor.

Soviet bloc denials

The USSR and the Soviet bloc vehemently denied the conclusions of the 1956 study and, as the new State Dept. report puts it, ratified ILO convention 29 on abolition of forced labor "perhaps in an effort to strengthen its denial."

The State Dept. report, prepared in response to a congressional resolution in September requiring an investigation of allegations that political and religious prisoners were being used in the construction of the Trans-Siberian gas pipeline to Western Europe, "leaves no doubt that the Soviet Union remains in blatant violation of ILO convention 29," Kirkland observed.

"There is clear evidence that the Soviet Union is using forced labor on a massive scale. This includes the use of political prisoners," said Powell A. Moore, the State Dept.'s assistant secretary for congressional relations, in a covering letter to Sen. William A. Armstrong (R-Colo.), who conducted hearings of a Senate Banking subcommittee last summer into charges of forced labor utilization in the USSR.

Domestic pipeline labor

Moore said the government has information from a variety of sources confirming that the Soviets routinely employ a portion of their 4 million forced laborers —the world's largest forced labor population—as unskilled workers on domestic pipeline construction. He added:

"It cannot yet be conclusively established whether such labor is being used specifically on the export pipeline project, but a number of reports suggest that forced labor has been used in some of the site preparation and other preliminary work on the export pipeline, including clearing the forests, leveling the right-of-way, building roads, and constructing living quarters."

Kirkland said he found "especially disturbing" the fact that between 90 and 100 forced labor camps are located close to the routes of the proposed natural gas pipeline route to Western Europe.

"Since forced labor has already been used in construction of the domestic pipeline," he said, "there can be no doubt that it will also be used on the export pipeline."

CIA analysis

A Central Intelligence Agency analysis attached to the State Dept. report said that "while large-scale use of forced laborers on the export pipeline is unlikely because many of the jobs require special skills, some forced labor will probably be used unless the Soviets depart from their usual practice because of the exposure the issue has received in the Western media.

"If historical precedent is followed, the unskilled forced laborers will be used in construction of compressor stations and auxiliary buildings—most of which are in an early stage of construction," the CIA said.

Of the 4 million Soviet citizens now serving sentences of forced labor, about 2 million are confined—85 percent of them in over 1,100 camps—and the remainder in prisons, the State Dept. reported.

"About 1.5 million, convicted of crimes for which they could have received sentences of confinement, have been sentenced instead to probation with 'compulsory involvement in labor,'" the report said. "Most of them are working at construction jobs far from their homes."

Among those forced laborers are dissidents whose numbers may reach as high as 10,000, the figure claimed by Soviet human rights activist Andrei Sakharov and Amnesty International, the London-based organization that seeks to free political prisoners wherever they may be held, the State Dept. said.

Many of the forced laborers are used on major projects in Siberia, where the official Soviet press has acknowledged it is difficult to persuade workers to go voluntarily. Some 250,000 forced laborers are believed to have perished during the 1930s while working on the construction of the Bielomorsk Canal, the State Dept. report noted, and in the 1970s thousands of forced laborers were reported to be building the Baikal-Amur railway extension in southeastern Siberia.

ILO investigators blocked

The Soviet government could help establish the truth about the seriousness of the charges against it by permitting an objective examination of labor conditions at its various Siberian projects and the conditions in which Soviet political prisoners live and work, the State Dept. said. The prospects of such an investigation are "probably not bright," it said, since Soviet authorities have consistently refused to allow an ILO mission to visit the USSR to investigate similar charges in the past.

"Because of the seriousness of these charges, and the massive human rights violations which they imply, we believe the international community has a responsibility to investigate them," the State Dept. said.

Reports that the USSR has used a large number of prisoners to work on huge labor projects have come from a wide variety of individuals and organizations in Europe, Asia, and the United States, the government said. The sources include human rights organizations, labor organizations, laborers who have managed to emigrate from the Soviet Union after working on such projects, and letters reaching Asia and the West from the USSR.

Inquiries sought

France's democratic trade union federation, Force Ouvriere, has asked French President Francois Mitterrand to investigate whether forced labor is being used on the Trans-Siberian pipeline. West Germany, through its embassy in Moscow, also has initiated an inquiry into the pipeline project.

Meanwhile, the International Confederation of Free Trade Unions based in Brussels has asked the International Labor Organization to inquire directly of the Soviets about alleged labor practices which violate various ILO conventions to which the USSR is a party. And the 10-nation European Community discussed the forced labor allegations at its plenary session last month in Strasbourg.

The State Dept. report, replete with maps showing the site of forced labor camps and the use of prisoners in the USSR, is a preliminary one that will be followed in January with a final version.

Union counseling helps jobless members to cope

Continued from Page 1

vices. The workshops have been organized at the request of national and local unions and state and local central bodies in hard-hit areas, especially those faced with a major plant closing.

Each session includes specific advice on job search methods, credit counseling, how to get unemployment compensation and trade adjustment assistance, information on social services in the community and techniques for managing the stress of unemployment.

Arnold said the workshops also are "a tangible way for a union to do something for its members, including providing a forum to fully discuss rights and benefits under the union contract and to counter claims the company may be making about the shutdown."

To help unions train their own staffs and develop their own workshops, HRDI has developed a detailed written guide to setting up a worker assistance program. This includes information on workshop planning, setting up job search and retraining services, and program models based on workshops HRDI has already conducted.

In stricken areas, Community Services staff representatives often serve as a "first line of defense" in meeting the needs of jobless workers.

Outside assistance

For example, when the Bunker Hill Silver Mine in Kellogg, Ida., began a protracted shutdown and layoffs of its 2,100 employees, Bob Frazier, labor representative with the nearby Spokane, Wash., United Way, stepped in to work with the seven local unions at the mine and with the Idaho AFL-CIO.

Financial counseling, health and welfare advice and job search and assistance were requested by the unions to meet the problems certain to result from the closing of the area's largest employer, Frazier said.

The State AFL-CIO and the Community Services representatives also worked with the governor's task force set up to respond to the mine closing and the resulting 50-percent jobless rate in the immediate area.

In another case, in Black River Falls, Wis., when the town's largest employer shut down for good, the local union Community Services committee played a crucial role in easing the shock, State AFL-CIO Community Services Director Robert Blessington reported.

Steelworkers Local 7613 put its committee into action when the union got the news that the employer, a taconite mine, was going out of business at the cost of 257 jobs. The committee, with the cooperation of the state federation's community services staff, organized its own unemployment counseling seminar. With joblessness running as high as 25 percent in the county, the union opened the session to all unemployed workers, union members or not.

Local President Arnie Palmer reported that until they took part in the seminar, many of the 125 participants were unaware of the kinds of help available to them or how to qualify for assistance.

Top officers re-elected by Flight Attendants

Dallas—The board of directors of the Flight Attendants re-elected President Linda A. Puchala, Sec.-Treas. Pamela J. Casey and Vice President Susan Bianchi Sand to new four-year terms.

The board's seventh annual meeting here drew 80 representatives of the union's master executive council and local executive councils.

The New House of Representatives

The House of Representatives will have 269 Democrats and 166 Republicans in the 98th Congress, assuming the re-election on Nov. 30 of Democratic incumbents in Georgia's 4th and 5th Districts. Of the 81 new members, 57 are Democrats, 24 Republicans.

Numerals show congressional districts; AL—at large.

** Newly elected.*

† Subject to Nov. 30 special election.

ALABAMA
1. Jack Edwards (R)
2. William L. Dickinson (R)
3. Bill Nichols (D)
4. Tom Bevill (D)
5. Ronnie G. Flippo (D)
6. Ben Erdreich (D) *
7. Richard C. Shelby (D)

ALASKA
Al Don Young (R)

ARIZONA
1. John McCain (R) *
2. Morris K. Udall (D)
3. Bob Stump (R)
4. Eldon D. Rudd (R)
5. James F. McNulty Jr. (D) *

ARKANSAS
1. Bill Alexander (D)
2. Ed Bethune (R)
3. John P. Hammerschmidt (R)
4. Beryl F. Anthony Jr. (D)

CALIFORNIA
1. Douglas H. Bosco (D) *
2. Eugene Chappie (R)
3. Robert T. Matsui (D)
4. Vic Fazio (D)
5. Phillip Burton (D)
6. Barbara Boxer (D) *
7. George Miller (D)
8. Ronald V. Dellums (D)
9. Fortney H. Stark (D)
10. Don Edwards (D)
11. Thomas P. Lantos (D)
12. Ed Zschau (R) *
13. Norman Y. Mineta (D)
14. Norman D. Shumway (R)
15. Tony L. Coelho (D)
16. Leon E. Panetta (D)
17. Charles Pashayan Jr. (R)
18. Richard Lehman (D) *
19. Robert J. Lagomarsino (R)
20. William M. Thomas (R)
21. Bobbi Fiedler (R)
22. Carlos J. Moorhead (R)
23. Anthony C. Beilenson (D)
24. Henry A. Waxman (D)
25. Edward R. Roybal (D)
26. Howard Berman (D) *
27. Mel Levine (D) *
28. Julian C. Dixon (D)
29. Augustus F. Hawkins (D)
30. Matthew G. Martinez (D)
31. Mervyn M. Dymally (D)
32. Glenn M. Anderson (D)
33. David Dreier (R)
34. Esteban Torres (D) *
35. Jerry Lewis (R)
36. George E. Brown Jr. (D)
37. Al McCandless (R) *
38. Jerry M. Patterson (D)
39. William E. Dannemeyer (R)
40. Robert E. Badham (R)
41. Bill Lowery (R)
42. Daniel E. Lungren (R)
43. Ron Packard (R) *
44. Jim Bates (D) *
45. Duncan L. Hunter (R)

COLORADO
1. Patricia Schroeder (D)
2. Timothy E. Wirth (D)
3. Raymond P. Kogovsek (D)
4. Hank Brown (R)
5. Kenneth B. Kramer (R)
6. Jack Swigert (R) *

CONNECTICUT
1. Barbara B. Kennelly (D)
2. Samuel Gejdenson (D)
3. Bruce A. Morrison (D) *
4. Stewart B. McKinney (R)
5. William R. Ratchford (D)
6. Nancy L. Johnson (R) *

DELAWARE
AL Thomas R. Carper (D) *

FLORIDA
1. Earl D. Hutto (D)
2. Don Fuqua (D)
3. Charles E. Bennett (D)
4. Bill Chappell Jr. (D)
5. Bill McCollum (R)
6. Kenneth MacKay (D) *
7. Sam Gibbons (D)
8. C. W. Bill Young (R)
9. Michael Bilirakis (R) *
10. Andy Ireland (D)
11. Bill Nelson (D)
12. Tom Lewis (R) *
13. Connie M. Mack III (R) *
14. Dan Mica (D)
15. E. Clay Shaw (R)
16. Larry J. Smith (D) *
17. William Lehman (D)
18. Claude Pepper (D)
19. Dante B. Fascell (D)

GEORGIA
1. Lindsay Thomas (D) *
2. Charles F. Hatcher (D)
3. Richard Ray (D)*
4. Elliott H. Levitas (D) †
5. Wyche Fowler Jr. (D) †
6. Newt Gingrich (R)
7. Larry McDonald (D)
8. J. Roy Rowland (D) *
9. Ed Jenkins (D)
10. Doug Barnard (D)

HAWAII
1. Cecil Heftel (D)
2. Daniel Akaka (D)

IDAHO
1. Larry Craig (R)
2. George Hansen (R)

ILLINOIS
1. Harold Washington (D)
2. Gus Savage (D)
3. Marty Russo (D)
4. George M. O'Brien (R)
5. William O. Lipinski (D) *
6. Henry J. Hyde (R)
7. Cardiss Collins (D)
8. Dan Rostenkowski (D)
9. Sidney R. Yates (D)
10. John E. Porter (R)
11. Frank Annunzio (D)
12. Philip M. Crane (R)
13. John N. Erlenborn (R)
14. Tom Corcoran (R)
15. Edward R. Madigan (R)
16. Lynn M. Martin (R)
17. Lane Evans (D) *
18. Robert H. Michel (R)
19. Daniel B. Crane (R)
20. Richard J. Durbin (D) *
21. Melvin Price (D)
22. Paul Simon (D)

INDIANA
1. Katie Hall (D) *
2. Philip R. Sharp (D)
3. John Hiler (R)
4. Daniel R. Coats (R)
5. Elwood Hillis (R)
6. Dan Burton (R) *
7. John T. Myers (R)
8. Francis X. McCloskey (D) *
9. Lee H. Hamilton (D)
10. Andrew Jacobs Jr. (D)

IOWA
1. Jim Leach (R)
2. Thomas J. Tauke (R)
3. Cooper Evans (R)
4. Neal Smith (D)
5. Tom Harkin (D)
6. Berkley Bedell (D)

KANSAS
1. Pat Roberts (R)
2. Jim Slattery (D) *
3. Larry Winn Jr. (R)
4. Dan Glickman (D)
5. Robert Whittaker (R)

KENTUCKY
1. Carroll Hubbard Jr. (D)
2. William H. Natcher (D)
3. Romano L. Mazzoli (D)
4. Gene Snyder (R)
5. Harold Rogers (R)
6. Larry J. Hopkins (R)
7. Carl D. Perkins (D)

LOUISIANA
1. Robert L. Livingston (R)
2. Lindy Boggs (D)
3. W. J. Tauzin (D)
4. Buddy Roemer (D)
5. Jerry Huckaby (D)
6. W. Henson Moore (R)
7. John B. Breaux (D)
8. Gillis W. Long (D)

MAINE
1. John R. McKernan Jr. (R)
2. Olympia J. Snowe (R)

MARYLAND
1. Roy Dyson (D)
2. Clarence D. Long (D)
3. Barbara A. Mikulski (D)
4. Marjorie S. Holt (R)
5. Steny H. Hoyer (D)
6. Beverly B. Byron (D)
7. Parren J. Mitchell (D)
8. Michael D. Barnes (D)

MASSACHUSETTS
1. Silvia O. Conte (R)
2. Edward P. Boland (D)
3. Joseph D. Early (D)
4. Barney Frank (D)
5. James M. Shannon (D)
6. Nicholas Mavroules (D)
7. Edward J. Markey (D)
8. Thomas P. O'Neill Jr. (D)
9. Joe Moakley (D)
10. Gerry E. Studds (D)
11. Brian J. Donnelly (D)

MICHIGAN
1. John Conyers Jr. (D)
2. Carl D. Pursell (R)
3. Howard E. Wolpe (D)
4. Mark Siljander (R)
5. Harold S. Sawyer (R)
6. Bob Carr (D) *
7. Dale E. Kildee (D)
8. Bob Traxler (D)
9. Guy Vander Jagt (R)
10. Donald J. Albosta (D)
11. Robert W. Davis (R)
12. David E. Bonior (D)
13. George W. Crockett Jr. (D)
14. Dennis M. Hertel (D)
15. William D. Ford (D)
16. John D. Dingell (D)
17. Sander Levin (D) *
18. William S. Broomfield (R)

MINNESOTA
1. Timothy J. Penny (D) *
2. Vin Weber (R)
3. Bill Frenzel (R)
4. Bruce F. Vento (D)
5. Martin Olav Sabo (D)
6. Gerry Sikorski (D) *
7. Arlan Stangeland (R)
8. James L. Oberstar (D)

MISSISSIPPI
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2. Webb V. Franklin (R) *
3. G. V. Montgomery (D)
4. Wayne Dowdy (D)
5. Trent Lott (R)

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2. Robert A. Young (D)
3. Richard A. Gephardt (D)
4. Ike Skelton (D)
5. Alan Wheat (D) *
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7. Gene Taylor (R)
8. Bill Emerson (R)
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2. Ron Marlenee (R)

NEBRASKA
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2. Hal Daub (R)
3. Virginia Smith (R)

NEVADA
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2. Barbara Vucanovich (R) *

NEW HAMPSHIRE
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2. Judd Gregg (R)

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2. William J. Hughes (D)
3. Robert A. Borski (D) *
4. Christopher H. Smith (R)
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11. Joseph G. Minish (D)
12. James A. Courter (R)
13. Edwin B. Forsythe (R)
14. Frank J. Guarini (D)

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2. Joe Skeen (R)
3. Bill Richardson (D) *

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2. I. T. Valentine Jr. (D) *
3. Charles Whitley (D)
4. Ike F. Andrews (D)
5. Stephen L. Neal (D)
6. Charles R. Britt (D) *
7. Charles Rose (D)
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9. James G. Martin (R)
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11. James M. Clarke (D) *

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3. Wes Watkins (D)
4. Dave McCurdy (D)
5. Mickey Edwards (R)
6. Glenn English (D)

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2. Robert Smith (R) *
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AL Richard B. Cheney (R)

EDITORIALS

A New Road

IT'S UP TO the outgoing 97th Congress, including those of its members who were defeated for re-election, to start America back on the road to recovery.

Jobless Americans can't afford to wait for the newly elected Congress to take office in January. Then, additional weeks will be lost in getting congressional committees established and starting up the legislative machinery anew. Even with a sense of urgency, it will be nearly spring before the promise of this election can be transformed into deeds.

That's too long to wait when unemployment is pushing closer to the 12-million mark.

It's too long to wait for those who trekked from unemployment-devastated Michigan to the promised land of Texas only to find that the recession had preceded them there.

It is much too long for those whose unemployment benefits are running out—and for those millions who moved directly from school to the unemployment line and thus have no benefits to tide them over.

The cancer of unemployment has eaten into every sector of American life, sparing no group.

THE TASK OF getting Americans back to work must be effectively begun in the lame-duck session of Congress that convenes on Nov. 29.

It doesn't have to start from scratch.

There are bills ready to bring to the floor of the House and Senate to provide public jobs and public works, to spur construction of new homes through mortgage subsidies.

Even Republicans who have toed the Reagan Administration line for the past two years are saying in the wake of the election returns that yes, putting people to work rebuilding roads and bridges, repairing the crumbling infrastructure of America's cities, makes good sense after all.

It is too much to expect an immediate bipartisan consensus on the magnitude of the legislation, but it is not too much to expect a good-faith effort to get the maximum number of people on jobs that need doing in the shortest possible time.

We have already seen the ripple effect of plant closings and indefinite layoffs—in the falloff of retail trade, the loss of tax revenues at all levels of government, the increased demand for social services at a time when these are being cut back. Unemployment feeds upon unemployment.

IT IS TIME for a different type of ripple effect—from the payrolls of hundreds of thousands of new jobs.

That type of ripple sets cash registers jingling and generates additional employment. New homes mean a revival in building supplies, in furniture manufacture and sales, in appliances.

Jobs mean more tax revenue. The incredibly large budget deficit of this past year of Reagan austerity would disappear under full employment. That—not a constitutional amendment—is the way to get a balanced budget.

Jobs mean that the social security system is taking in the payroll taxes on which it depends, instead of paying out additional amounts to those forced to retire earlier than they had planned because there is no work for them.

That's the path on which we can start this year.

That's the path on which we must start.

The Moral Imperative

IT IS MORALLY unconscionable that forced labor projects should be financed by Western credits and technology.

While Western democracies may not be able to prevent forced labor in the Soviet Union, we need not be accomplices in this barbaric practice.

An economic system that requires slave labor is not a system that should be underwritten by free men and women.

—From AFL-CIO President Lane Kirkland's comment on the State Dept. report on forced labor camps.

'Cut Me Loose!'

Washington Window

Double standard on trade damages U.S. industries

By Press Associates, Inc.

Among the nation's more than 11-million unemployed are many who have lost their jobs because of foreign imports.

Many of these imports—steel, for example—are unfair in the sense that their production and export are heavily subsidized by their governments. These goods are sold here below their cost of production—dumped.

Other job-destroying imports, such as footwear, are unfair because the trade barriers of other nations funnel them into the more open U.S. market.

Yet whenever organized labor or an injured industry calls for reasonable limits on unfair trade, a hue and cry goes up about violating "free trade" principles. Editorialists, Reagan Administration officials and some members of Congress even raise the specter of an international "trade war" and the kind of protectionism that fed the worldwide depression in the 1930s.

'Fair trade' alternative

In limiting the choice between "free trade" on the one side and "protectionism" on the other, many leave the impression that there is no middle course. Labor insists there is such a course and that it's called "fair trade."

"Free trade" enthusiasts usually fail to note that "the rest of the world is playing by different rules. Most of the world is relatively closed in trade policy while the United States is relatively open," AFL-CIO Economist Elizabeth Jager points out.

Other nations protect their industries by tariffs and by nontariff barriers. Japan, for example, uses complex technical and paperwork barriers to keep out American cars.

U.S. manufacturers, meanwhile, have been losing ground in their home market. During the past 20 years, the U.S. auto industry has lost 35 percent of its own market at a cost of 900,000 jobs, the AFL-CIO Industrial Union Dept. reports. In steel, 22 percent of the domestic market, representing 150,000 jobs, has been lost to foreign manufacturers.

In the depths of this recession, when imports logically would be expected to decline, the U.S. trade deficit reached $28 billion during the first eight months of 1982 despite declining oil imports. Nearly $6 billion of that deficit resulted from increasing imports and decreasing exports of such capital goods as machinery and transport equipment.

A positive step

The recent agreement by the European Common Market to limit its steel exports to the United States is a positive step. Agreements now should be pursued to protect the vital specialty steel industry from subsidized imports, and to prevent Japan and other nations from taking advantage of the European agreement to boost their steel exports to the U.S.

As for the domestic footwear industry, where unemployment has soared to 18 percent, U.S. trade officials should press the European Common Market, as well as Japan, South Korea, Taiwan and Brazil, to lift the barriers which have funneled low-wage shoe exports into the United States.

Congress, for its part, should enact the domestic auto content bill to stem further erosion of jobs and of an industry to which one of six jobs is linked. The bill would require foreign and U.S.-based automakers to use minimum percentages of American parts and labor in the cars they sell here.

For the long run, the nation needs an industrial policy to revitalize our declining manufacturing base, create jobs, and make U.S. products more competitive here and abroad.

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MEMO FROM COPE

GOP: Publicly Confident, Privately Shaken

Reagan Administration and Republican Party leaders are still sifting through the wreckage of November 2, searching for the remains of a "mandate" that was never there in the first place.

Publicly, they dissemble. They contend their showing in the election was, indeed, a victory. Privately, they know they took a shellacking. The scope of their defeat was greater than the hard numbers suggest.

Publicly, they claim the GOP loss of 26 seats in the U.S. House was just a "normal" off-year setback. Privately, they know the figures as well as political scholars know them: Theirs was the greatest House defeat for an administration only two years into its first term since 1922, when the GOP, with President Warren Harding in the White House, dropped 75 seats. The loss was more than double the average since World War II following a switch of party in the White House.

Publicly, they assert they achieved their main objective—a stand-off in the U.S. Senate and continued GOP numerical control. Privately, they are as aware as anyone that only 39,000 additional Democratic votes in four states—Nevada, Rhode Island, Wyoming and Vermont—would have knotted the Senate at 50-50, and just 16,400 more would have tipped Missouri into Democratic hands and put the GOP on the short end of a 51-49 margin.

Publicly, they hail GOP gubernatorial victories in key major-population states of California, Illinois and Pennsylvania. Privately, they know they lucked in with only 50,000 out of 7.5 million votes cast in California and made it partly on the basis of race (the Democratic candidate was black) and in large measure on the basis of hot state initiative issues that brought out a large conservative vote.

In Illinois, GOP incumbent Governor Thompson was expected to win by 15-20 points over Adlai Stevenson, but was merely 6,000 ahead out of 3.5 million votes cast as the AFL-CIO News went to press and was not fully assured of ultimate victory. Final results are expected November 22. Whoever wins, the outcome probably will be challenged.

In Pennsylvania, popular GOP incumbent Governor Thornburgh was supposted to cruise to an easy victory over Rep. Allen E. Ertel, but won with only 52 percent of the vote.

Meanwhile, Democrats picked up a net gain of seven governorships, among them the key industrial and high-population states of Michigan, Ohio, Wisconsin, Texas and Minnesota, and retained New York and Massachusetts.

Publicly, Republicans are mute about losing nine state legislative chambers and the Democratic hold now on both houses in 34 states. Privately, they know they took it on the chin. Less than a year ago, their expectations were for sweeping state legislative gains.

November 2 was the fifth time since World War II that a mid-term election followed a shift of party control of the White House two years previous. President Reagan's GOP House loss was 26. Average loss by the party in power in four preceding off-year elections was 11½ House seats.

Year	President	House Loss
1954	Eisenhower (R)	19
1962	Kennedy (D)	4
1970	Nixon (R)	12
1978	Carter (D)	11
1982	Reagan (R)	26

Publicly, Republicans explain that House, Senate and gubernatorial elections were hundreds of unrelated events settled on the basis of local, regional and personality issues. This is, of course, partly true. But privately, they know the Administration tried to make the election a national referendum on Reaganomics ("stay the course" and "give the guy a chance"), that largely it was just that, and that they lost the referendum. Reaganomics came up with egg on its face.

Finally, publicly, the Administration and the GOP are popping champagne corks. Privately, they're chug-a-lugging wormwood.

Why? For many reasons.

► One: Deep down, they know they've lost the edge in the House they enjoyed the past two years. Democratic gains were sufficient to nullify the swing effect of conservative Democratic "Boll Weevils" who strongly backed Reagan economic proposals.

► Two: Notwithstanding the 54-46 grip they retained in the Senate, they know many of their incumbents who made it back were like quarterbacks sacked once too often—groggy and beginning to question the game plan.

► Three: The "conservative revolution" heralded by themselves and by most commentators in 1980 was a myth. They presented their program. It was enacted. It failed to do what they promised it would do. Voters punished them for it.

► Four: Their dream of dominant-party status is shattered—for now at least. Only a year ago, GOP National Chairman Richard Richards (recently resigned) proclaimed "we (the GOP) are on the threshold of majority status." Other GOP leaders picked up the boast. Most party spokesmen confidently predicted they would gain the 25 House seats needed to capture numerical control. Thus, the 26-seat loss, *is actually a 51-seat shift from GOP expectations of just one year back.*

► Five: It is possible the "great communicator" has lost the golden touch. Voters indicated he could no longer con the public that things are looking up when they're so clearly looking down.

► Six: The results of 1982 are hardly encouraging in terms of 1984 for the GOP, unless there is a miraculous economic recovery.

Quick Notes on Nov. 2

• Republicans lost 12 House seats in the East, 12 in the Midwest, two in the South. They kept the same number of seats in the West, where Democrats gained six seats.

• Including retirements, there will be 81 new members in the House, largest number since the post-Watergate election of 1974 that saw 76 new Democrats and 16 new Republicans elected. On Jan. 3, 1983, 57 Democrats, 24 Republicans new to Congress will be sworn in.

• Twenty-one black candidates and nine Hispanics were elected to the House, an increase of three in each instance.

• In six races that pitted incumbents from each party against one another, Democrats won four, Republicans two. In California, Democrat Matty Martinez beat the GOP's John Rousselot; in South Dakota, Tom Daschle beat Clint Roberts; in Missouri, Ike Skelton over Wendell Bailey; in Massachusetts, Barney Frank defeated Margaret Heckler. GOP winners: Guy Molinari over Leo Zeferetti, Ben Gilman over Peter Peyser, both in New York.

• Only other House Democrat who lost was Bob Shamansky (Ohio).

• Big plus was defeat of 14 members of GOP Class of 1980, hardcore Reaganites. Among those least likely to be missed: John LeBoutillier (N.Y.), whose indiscriminate dagger-tongue had even offended his GOP colleagues.

• Further satisfaction: Defeat of Eugene Atkinson (Pa.), who was elected as a Democrat, jumped to the GOP in mid-term.

Beginning the Rollback of the New Right

Don't bury the "new right" political committees yet. It would be a sad and costly miscalculation to count them out on the basis of one election.

True, they plummetted from almost all-winning to almost all-losing in the two years since their 1980 zenith, when they made enormous Senate gains and toppled some of the Senate's strongest pro-labor incumbents.

But any movement that can generate more than $30 million in political dollars is not ripe for burial. More than two-thirds of that amount was collected by two "new right" PACs alone. They were the Congressional Club, Sen. Jesse Helms' (N.C.) personal operation, and the National Conservative PAC, whose so-called "independent expenditures" campaigns succeeded wildly in 1980 and failed as wildly in 1982.

Their movement remains strong, though they no longer strike fear in opponents' hearts. And some of their predictions look absurd, among them that of the "new right's" five-star general, Richard Viguerie. Take his 1980 book, "The New Right—Ready to Lead," that is itself now a quaint reminder of how quickly America's political winds can shift.

However, 1982 results and opportunities in 1984 encourage the hope that the rollback of the "new right" is underway and can continue.

It started small this year in terms of actual gains but big in terms of over-all results. Faced with certain defeat, Sen. S. I. Hayakawa (Calif.), a creature of the "new right," chose not to run. Sen. Harrison Schmitt (N.M.), another favorite of the rightist PACs, was defeated.

Only one incumbent senator targeted by the "new right" for special treatment was defeated, Howard Cannon (Nev.). All the others won and won big: Paul Sarbanes (Md.), Don Riegle (Mich.), George Mitchell (Maine), Jim Sasser (Tenn.), Ted Kennedy (Mass.), Robert Byrd (W.Va.), Quentin Burdick (N.D.), John Melcher (Mont.), Howard Metzenbaum (Ohio).

Millions of right-wing dollars were poured into these campaigns, beginning in some states a year before the election. The same tactics had been used effectively two years ago by the right. This year, they failed—and one reason is the targets came out fighting and making NCPAC a campaign issue. So, a beginning of a rollback of the right has been made.

Two years from now, the opportunities to keep the momentum going will be plentiful. A large group of patrons of and beneficiaries of the "new right" will face Senate elections.

These include: Helms, Bill Armstrong (Colo.), Jim McClure (Idaho), Roger Jepsen (Iowa), Gordon Humphrey (N.H.), Strom Thurmond (S.C.), John Tower (Texas). Among them are the worst voting records in the U.S. Senate, in aggregate more than 90 percent "wrong" on the AFL-CIO scorecard.

Despite the power and purse of his Congressional Club, Helms already has been hurt. He targeted five House races in his home state of North Carolina November 2—three against incumbent Democrats and two for first-term Republicans. His PAC money and personal prestige were put on the line. He lost every one of the five.

Maybe that was another sign pointing to a sharp decline in right wing political fortunes that can carry over into 1984.

AFL-CIO news

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Social security panelists asked to bolster funding

Solidarity lives

Showing their support of Poland's Solidarity trade union, New York trade unionists pitch in with contributions at a rally near the Polish consulate in Manhattan. The floral tribute is similar to those bestowed by Poles in Warsaw and other major cities of Poland. The Nov. 10 rally coincided with demonstrations in Poland called by the Solidarity underground. (Story, Page 4.)

Drop in output dampens hope for recovery

By James M. Shevis

The economy emitted clear signals that the Reagan Recession is far from over and may indeed be worsening as the government reported sharp declines in both industrial output and factory use and only slight improvement in the housing industry.

Industrial production fell another eight-tenths of 1 percent in October, the largest drop in the last six months, the Commerce Dept. announced. And, in a separate report, the Federal Reserve Board said the nation's recession-hobbled factories operated at just 68.4 percent of capacity last month, the lowest rate in 35 years.

Production now has fallen 11.4 percent since the recession began in July 1981. The recession itself is challenging for longevity the postwar record set by the severe downturn between November 1973 and March 1975.

Tight-money drag

"The impact of the Administration-supported tight-money policy pursued by the Fed continues to show up in reduced output," AFL-CIO Research Director Rudy Oswald observed. "Meanwhile, the nation's workers and factories stand idle, as the Administration admonishes us to stay the course."

With unemployment officially at 10.4 percent of the labor force, the highest level since 1940, analysts looking for the start of a recovery eagerly awaited the government's report on last month's housing starts. Housing starts are especially watched by economists since the wide dispersion throughout the economy of housing supply industries, from lumber to appliances, makes a housing recovery the sure forerunner of a general recovery.

The Commerce Dept. report showed the number of new starts up only 1 percent, however, and the improvement in September, which had prompted President Reagan to say "America is on the move again," turned out to be far less than originally reported. Instead of a strong 14.4-percent increase, government revisions lowered the September rise to 7.6 percent. And most of that increase was due to a surge of federally subsidized projects reaching the construction phase under programs that are expiring.

Building permits, a sign of planned housing activity, were up sharply in October, however, rising 17.8 percent after increasing 13 percent in September.

Auto production slumps

Steep cutbacks in auto production held down both factory use and industrial output in October. Auto output fell to an annual rate of 4.7-million units from the 5.5-million-unit rate in both August and September, the Fed reported. The reduced output was reflected in the Commerce Dept. report on factory capacity utilization, which showed the auto industry operating at just 49.7 percent in October, higher than its recession low of 43.7 percent in January but far below the 61.3-percent operating rate last July.

The October decline of eight-tenths of 1 percent in the factory-use rate was the largest since a similar drop last April. While the overall factory operating rate

Continued on Page 4

Job-stimulus agenda set for lame-duck Congress

By David L. Perlman

Democrats will press for a job-creating, economic stimulus program in the lame-duck session of Congress, and a growing number of election-scarred Republicans are signaling that they want to move in the same direction.

House Speaker Thomas P. O'Neill, Jr. described an economic recovery package advanced by Rep. Henry S. Reuss as a likely "framework" for a legislative agenda to be acted on when Congress reconvenes on Nov. 29.

Reuss, who is retiring after 28 years in the House, is chairman of the congressional Joint Economic Committee and had been asked by O'Neill and Senate Democratic Leader Robert C. Byrd to recommend the ingredients of an economic recovery program.

As a minimum, O'Neill has said, the House leadership will press for completion of action in the lame duck session on job-intensive public works and a housing stimulus. There has been increasing bipartisan agreement that this is the time to deal with the crumbling infrastructure of America—the deteriorating bridges, roads and water systems. And "every economic recovery since World War II has been led by the housing sector," O'Neill noted.

600,000 public sector jobs

Reuss proposed assistance for both moderate-income homebuyers and for renters, urged reauthorization with full funding of Economic Development Administration programs and called for a large-scale public sector program of "community renewal" that would provide 600,000 jobs for the unemployed. He said enactment of a land conservation bill already passed by the House would open up 20,000 year-round jobs for young workers and another 50,000 summer jobs.

The lame-duck session, a post-election reconvening of the outgoing Congress, is expected to run until mid-December. The newly-elected 98th Congress will convene in January.

President Reagan, meanwhile, reiterated his objection to what he calls "make-work" programs and continued to insist that the Administration's policies weren't responsible for the disastrous surge in unemployment. He called for further cuts in non-defense spending and the President's only proposal for economic recovery has been a renewed call for a controversial "enterprise zone" of tax incentives and

Continued on Page 8

Democratic plan retains benefit levels

A Democratic plan to guarantee the solvency of the social security system, without tampering with benefit levels or retirement age, moved to center stage as the debate over the future of the nation's giant social insurance program neared a climax.

The proposal was in line with a strong statement by AFL-CIO President Lane Kirkland, who attacked Administration efforts to drive a wedge between workers and beneficiaries in their joint support of the protection which the system provides to both groups.

After being in existence more than nine months, the National Commission on Social Security Reform finally came to grips —right after the elections—with the short-term cash-flow problems facing the system.

The commission came into being as a face-saving device for President Reagan, whose 1981 proposals to slash some $81 billion from social security over a five-year span touched off a firestorm of public opposition which sent even the President's staunchest allies in the Republican-dominated Senate scurrying for cover.

Although the commission met sporadically throughout the summer and fall, it was not until Nov. 11-13 that it got down to serious deliberations on how to help social security surmount problems caused by a lagging economy. Mounting unemployment continues to push down contributions, and a protracted period of runaway inflation has pushed up benefit levels.

Bottom-line offer

At the end of three days of public meetings in an Alexandria, Va., motel, the commission headed by Economist Alan Greenspan recessed for a month. On the table was what the Democrats termed their "bottom-line offer," a package which included:

- Accelerating tax increases scheduled between now and 1990, making them ef-

Continued on Page 5

Players return with gains, set ballot on new contract

By John R. Oravec

New York—The 57-day stalemate between National Football League owners and the NFL Players Association was broken with an agreement on a five-year contract that will bring substantial gains in salary minimums and establish a severance pay system, the first in professional sports.

The tentative accord, approved by player representatives from each of the 28 teams, paved the way for resumption of the NFL schedule on Nov. 21. The eight-week strike began Sept. 21.

A ratification vote on the $1.6 billion compromise package by the 1,500 NFLPA members will be held Nov. 23. Although specific details of the agreement were not released, estimates put the contract worth at about 46 percent of the league's projected revenues over the next five years. The union initially sought 55 percent of gross revenues.

The major turning point in the sputtering negotiations came after management negotiators agreed to the immediate payment of bonuses to all players on the pre-strike rosters.

Under the $60-million bonus provision for 1982, first-year players will receive $10,000, second-year players $20,000, third-year players $30,000 and players with four or more years in the league $60,000.

The owners' management council also

Continued on Page 2

11/20/82

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Dust off the stadium seats

Tentative agreement on a five-year National Football League contract is announced in New York by the NFL Players Association. Joining NFLPA Executive Director Ed Garvey, right, and President Gene Upshaw at the press conference is Stan White, left, the Detroit Lions union representative.

Players return with gains, set ballot on new contract

Continued from Page 1

pledged that no player representatives or alternates would be cut from team rosters this year. Management further agreed that two player representatives who had been released earlier this year would be allowed to qualify for the 1982 bonus plan, provided they drop unfair labor practice charges against the league.

The minimum wage scale was vastly improved for seasoned players as well as for rookies. In the final two years of the contract, the minimums will range from $50,000 for first-year players to $200,000 for a veteran with 16 years' experience.

For rookies, the wage floor was raised from $22,000 under the old contract to $30,000 in 1982, to $40,000 in 1983-84 and to $50,000 in 1985-86.

The minimum for longer-term players in 1982 will range from $40,000 for second-year players, rising in $10,000 increments for each year of service up to $200,000. And during the term of the contract, the minimum for a 10-year veteran, for example, goes to $120,000 this year, $130,000 in 1983-84 and $140,000 in 1985-86.

The NFLPA also negotiated substantial improvements in union security, pensions, and insurance benefits. Medical coverage will increase from $250,000 under the old contract to $1 million per player.

Under the precedent-setting severance payment plan, players will be vested in their second year, with payments ranging from $5,000 for players with two years' experience to $140,000 for 12-year veterans. Third-year players would get $20,000, fourth-year players $60,000, and there will be $10,000 increments for each year up to the $140,000 maximum.

The agreement also gives the union approval rights over agents who represent veterans in individual contract negotiations with owners. A rookie may retain an agent without union approval.

Team rosters frozen

Owners will be required to maintain 49 players on each roster for the remainder of the season. Next year, the maximum team roster will be 45.

In announcing the tentative settlement, NFLPA Executive Director Ed Garvey said the union made substantial improvements in a number of areas, but that it did not achieve all of its objectives in the negotiations.

"We concluded that it was better to get on with the season and fight some fights later," Garvey said. "We demonstrated solidarity and the players demonstrated once and for all that the players are the most important element of the game."

IUE board elects Bywater and Fire to top union posts

Pittsburgh—The executive board of the Electrical, Radio & Machine Workers elected Sec.-Treas. William H. Bywater president of the IUE to fill the unexpired term of David J. Fitzmaurice.

The board, meeting shortly after Fitzmaurice's funeral, also elected Edward L. Fire as the new secretary-treasurer of the 200,000-member union. Fire has been president of IUE District 7 since 1975.

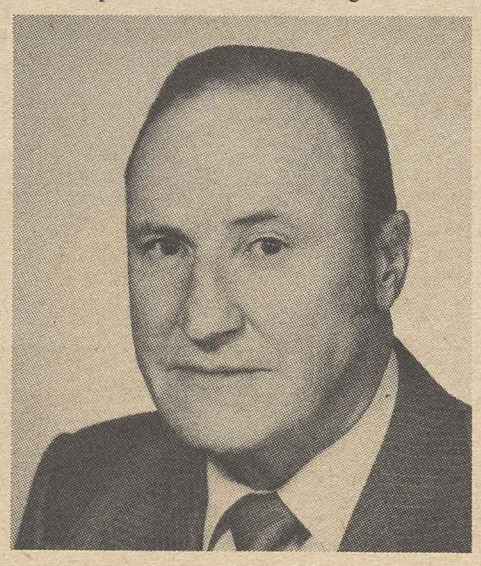
Chief organizer

Bywater, 62, was elected secretary-treasurer of the IUE at the union's 1980 convention. He also has served as organizing director for the past two years.

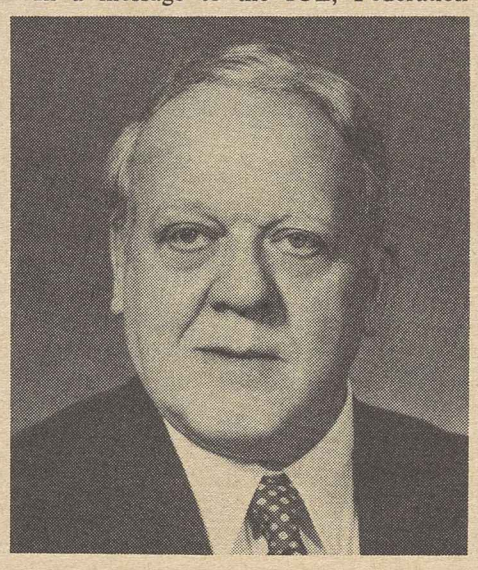
Bywater became active in the labor movement in 1941 as a shop steward of Local 425 of the United Electrical Workers in Long Island City, N.Y., and later was president of the local for seven years. He was the first chairman of the IUE-Sperry Rand conference board, serving from 1958 to 1967.

In 1968, he was elected president of IUE's New York-New Jersey District 3, holding that post until 1980. He also served as an IUE vice president for 12 years and has been a member of the union's executive board since 1961.

Fire, 45, was president of IUE Local 717 in Warren, Ohio, from 1964 until he was elected secretary-treasurer of District 7 in 1974. He also had been chairman of the IUE-General Motors conference board, president of the Trumbull County AFL-CIO and a vice president of Ohio AFL-CIO. He has been on the IUE executive board since 1975.



WILLIAM H. BYWATER



DAVID J. FITZMAURICE

Worker medical records

Court rebuffs attack on OSHA access rule

Lake Charles, La.—A federal district court here upheld the Occupational Safety & Health Administration's access rule on worker medical records and toxic exposure data kept by employers.

In rejecting a challenge by the Louisiana Chemical Association, the court declared that the rule is essential in efforts to reduce job-related illness and disease.

The 1980 OSHA regulation established the access right for the federal job safety agency, workers and their unions to employer-maintained records covering a wide range of toxic substances, not just those already regulated by OSHA standards.

The rule, issued under the Carter Administration, also established procedures for OSHA to follow in reviewing the records so as to insure employee privacy. It does not require employers to create any new records, but only provides the right of access to records that companies already maintain.

"The core purpose of the rule is to gain greater knowledge of substances whose effects and characteristics are not yet fully understood," Judge Earl E. Veron of the U.S. District Court for Western Louisiana said in his decision.

"Given the insidious nature and long-term effects of many latent occupational diseases, a rule which establishes a data base for medical research—as does the records access rule—bears more than a mere reasonable relation to the major policy goal" of the federal job safety law, Judge Veron observed.

He rejected the contention of the Louisiana Chemical Association, a chemical manufacturers group, that OSHA exceeded its authority in issuing the rule.

The court also rejected LCA's arguments that the rule would force companies to disclose trade secrets, violate an employer's Fourth Amendment protections against unreasonable search and seizure, and infringe on the privacy rights of workers.

The court also threw out the industry group's argument that the OSHA rule invaded the jurisdiction of the National Labor Relations Board. The NLRB requires employers to provide unions with information, including job safety and health records, necessary for collective bargaining.

In a friend-of-the-court brief, the AFL-CIO Industrial Union Dept. stressed that there are no grounds for invalidating the rule simply because the NLRB extends comparable provisions on union access. Veron agreed.

"While the rule undoubtedly enhances the bargaining status of unions, it is plain on the record that this result was simply incidental to fulfilling the statutory goal of promoting healthful working conditions," the court said.

Question on regulation

The case was initially brought before the district court, then shifted to the 5th U.S. Circuit Court of Appeals in New Orleans, but later was returned to the district court when it was deemed that the access regulation was a rule and not a standard.

The employers' association sued former Labor Sec. Ray Marshall and Assistant Labor Sec. Eula Bingham, who issued the regulation during the Carter Administration.

Although OSHA under the Reagan Administration has proposed changes in the rule that would lop off protections for about 11 million workers and eliminate most of the hazardous substances now covered, Labor Dept. lawyers presented a strong defense in arguments before the court.

Assistant Labor Sec. Thorne G. Auchter has called the proposed changes an effort to "streamline" record-keeping requirements for employers.

The AFL-CIO said Auchter failed to provide any documentation or factual evidence to support the proposed rollback of the rule.

IUE's David J. Fitzmaurice dies after bout with cancer

Euclid, Ohio—David J. Fitzmaurice, president of the Electrical, Radio & Machine Workers since 1976, died Nov. 12 after surgery for cancer. He was 69.

Fitzmaurice was also a vice president of the AFL-CIO and served on several Executive Council standing committees.

He led the IUE's bargaining teams in national contract negotiations this year with General Motors Corp., General Electric Co. and Westinghouse Corp.

Last May, during the 13-union coordinated negotiations with GE and Westinghouse, Fitzmaurice was hospitalized for surgery. He returned to the talks a week after surgery and remained on the job until he entered the hospital a week before he died.

In a message to the IUE, Federation President Lane Kirkland and Sec.-Treas. Thomas R. Donahue said, "to the very end, Dave Fitzmaurice, displayed the same courage, resolution and selfless dedication that he brought as a young man to the struggle to organize his fellow workers in the electrical industry."

"Dave will be remembered for his contributions to inter-union cooperation, especially coordinated bargaining, and for his great gifts of friendship which enriched the lives of all trade unionists," Kirkland and Donahue said.

Local shop steward

Fitzmaurice began his trade union career in the early 1940s as a shop steward of United Electrical Workers Local 707 at the GE lamp plant in Cleveland. As chief steward of the local in 1948, he was elected president on an anti-communist slate.

After the IUE was founded in 1949, Fitzmaurice helped lead the local out of the communist-dominated UE and into the new CIO affiliate.

Fitzmaurice later headed IUE District 7, which encompasses seven states from Ohio to Florida, and built it into the union's largest district with some 90,000 members.

In 1968, Fitzmaurice was elected IUE secretary-treasurer. He continued to hold that post until he succeeded Paul Jennings as president in 1976. He was elected to a full four-year term at the union's convention later that year and re-elected to 1980.

Survivors include Fitzmaurice's wife Jean, two sons and three grandchildren. A funeral mass was said at St. Luke's Church in Carnegie, Pa., Nov. 17. Burial was in Carnegie.

Metal Trades petition Congress to bar export of U.S. shipyard work

The 200 delegates to the AFL-CIO's Metal Trades Dept.'s National Shipbuilding Conference petitioned Congress not to allow the Reagan Administration to export the construction of U.S.-flag merchant ships and the thousands of jobs connected with merchant ship construction.

All the delegates to the second biennial conference signed the petition, directed to Congress under the "redress of grievances" provision of the Bill of Rights.

The delegates to the Nov. 16-17 meeting in Washington represent shipyard production workers in all the federal shipyards and almost all the major private shipyards in the country, who are covered by collective bargaining agreements negotiated by local Metal Trades councils.

In his keynote address, Dept. President Paul J. Burnsky declared that shipyard workers face disaster because "our national leaders have literally given away the future."

Burnsky noted that private ship construction employment plunged from 141,000 to 124,000 between January 1981 and July 1982.

"In the year ending this July, more than one of every 10 wage earners in our private shipbuilding industry were told to go home," he said. "There was no work for them. Some of them were lucky. They found work in naval shipyards. But they were only a fraction of those whose livelihoods were destroyed, and the future outlook is bleak, indeed, in a time of worldwide depression in the ship construction industry."

Exporting jobs

Burnsky pointed out that the Reagan Administration's reaction was to authorize the construction and reconstruction abroad of nearly $1.5 billion worth of U.S.-flag merchant ships, "exporting 22,500 shipbuilding jobs and another 65,000 jobs in allied endeavors."

This authority to authorize foreign construction of U.S.-flag ships has expired, and a proposal to renew it, as well as to give a tax break to ship owners who build their ships in foreign countries, will be under consideration in the lame-duck session of Congress later this month.

It is to urge defeat of these proposals that the conference is petitioning Congress "on behalf of American shipyard workers." The petition says these proposals will "adversely affect the economy of every one of the United States, do serious and immediate damage to the economic futures of thousands of working people, and undermine drastically our national ability to construct and maintain a modern navy."

James Kennedy, executive assistant to AFL-CIO Sec.-Treas. Thomas R. Donahue, said in an address to the delegates that using foreign labor to build American ships is a "disgrace" and that doing so has deprived workers in 26 states of jobs.

He said that the AFL-CIO intends to work in the lame-duck congressional session for programs that will generate jobs.

"We want to earn the paychecks," Kennedy said. "We want to hold our country together, and that takes work . . . If work stops in such vital areas as shipbuilding, the country dies, it's as simple as that."

Kennedy lashed at the Reagan Administration for twisting unemployment figures to make the extent of joblessness appear less harmful than it actually is.

People must eat

"Percentages don't have to eat, don't have children, but people do," he declared. And he noted that there are 100,000 more Americans out of work now than there were in 1933, the worst year of the Great Depression.

Maritime Trades Dept. President Frank Drozak told the conference that "our merchant marine is at the lowest ebb" in the history of the nation.

"Free trade has to be a two-way street," Drozak continued. "Competition must be fair and equal to all, not to just a few . . . Until the policy-makers in this country understand and accept this truth . . . then this country will continue to lose its industrial base, its shipbuilding base, its merchant marine and its national security."

The U.S. must "change, and change now to conform to the reality of foreign trade as it is in this very real world we live in," Drozak said. "There needs to be a national cargo policy for the United States. Whether we like it or not, it is the only answer."

Navy Sec. John F. Lehman, Jr., defended the Reagan Administration's defense appropriation proposals as both necessary to a strong defense and a way of creating jobs.

Other speakers included Rep. Joseph P. Addabbo of New York, chairman of the House Subcommittee on Defense Appropriations; President Edwin Murray Hood of the Shipbuilders' Council of America; Adm. E. B. Fowler, commander of the Naval Sea Systems Command; retired Navy Adm. Isaac Kidd; and Gerald Seifert, general counsel for Maritime Policy of the House Merchant Marine & Fisheries Committee.

Conference goals

In other actions, the conference:

- Called for "proper and wholehearted" administration of the Occupational Safety & Health Act "with special emphasis on the unabridged right of workers and their representatives to demand the prompt investigation and correction of hazardous conditions."
- Urged Congress to restore federal pay to comparability with that in the private sector.
- Recommended that the Metal Trades Dept. work toward a congressional decision to end the contracting-out by the Navy of work that can be done by civilian employees.

Administration plan to build U.S. ships abroad is assailed by Metal Trades Dept. President Paul J. Burnsky at department conference.

Bargaining stressed as basis of worker participation plans

Conflict and cooperation are both useful strategies for workers' progress.

AFL-CIO Sec.-Treas. Thomas R. Donahue focused on that theme during a recent institute on "Unions and the Quality of Work Life" at the George Meany Center for Labor Studies.

Participants in the four-day institute analyzed worker participation programs and their impact on collective bargaining, and representatives of nine AFL-CIO unions reported on their unions' experiences. Donahue was asked to give the AFL-CIO perspective.

Since the federation does not set policy on collective bargaining issues, Donahue explained that his views on worker participation plans were his own, expressed in talks and articles over the past six years.

He reminded the group that organized labor has always insisted that improvements in the quality of work life can only be achieved through collective bargaining—"where equal talks to equal."

Donahue explained that collective bargaining is rooted in conflict, that employers as a class have interests different from their workers, that "we get what we can take." He continued:

"But I believe that adversarial relationship ought to be limited to the bargaining process. Once we establish a deal on conditions of work we move to a cooperative relationship doing our damnedest to improve the quality of work life, the quality of production, and improve productivity and thereby enhance our chance to get a bigger bite of the apple next time around."

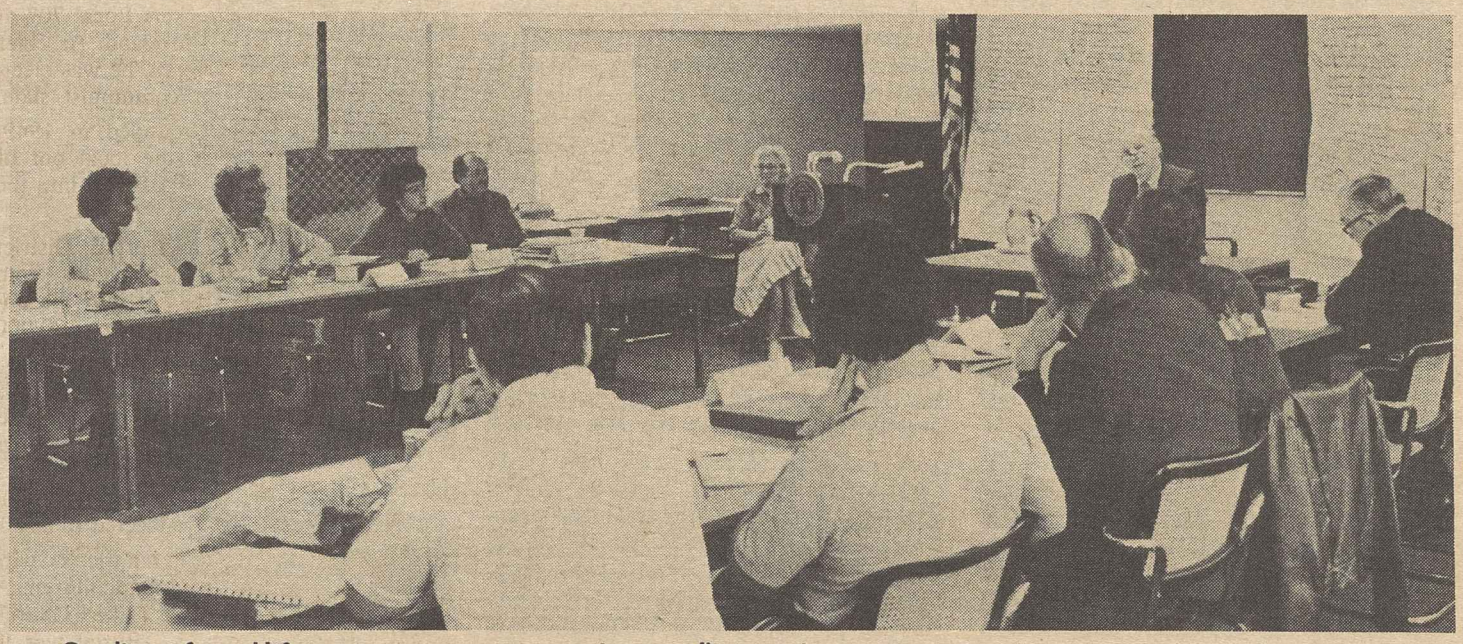
To be effective, Donahue said, QWL programs—like joint apprenticeship committees or joint safety committees—have to be based on collective bargaining.

He enumerated problems unions face dealing with worker participation programs:

- Training negotiators to address these issues in collective bargaining sessions.
- Developing union counterparts to management facilitators so the union's institutional interests are protected.
- Keeping collective bargaining issues separate from QWL issues and knowing when an issue should be handled through the grievance machinery.
- Combating management's use of QWL as a union avoidance program.

Donahue cited the almost universal opinion of union organizing directors that QWL programs make organizing more difficult. Only a few have been able to use them as an asset in organizing, he said.

"We haven't reached the millennium that some faddists in this field would have us believe," he concluded.



Quality of worklife programs must stem from collective bargaining, Sec.-Treas. Donahue tells seminar.

New auto models lead increase in wholesale prices

Wholesale prices rose a seasonally adjusted five-tenths of 1 percent in October, mostly due to higher costs for new cars, the Bureau of Labor Statistics reported.

In September, domestic auto makers closed out the 1982 model year with unusually large discounts. Largely as a result of these end-of-model-year price cuts, BLS's producer price index for finished goods registered a slight decline of one-tenth of 1 percent that month.

The difference between the steeply discounted 1982 model costs and the higher 1983 model costs overwhelmed widespread declines elsewhere in the October report, BLS said. New car prices showed a 4.1 percent increase over the marked-down dealer cost for leftover 1982 cars.

Last month's increase in the producer price index for finished goods—the government's measure of changes in wholesale prices—was about the same as the advances of six-tenths of 1 percent in both July and August.

The index for intermediate goods declined two-tenths of 1 percent in October. It went down one-tenth of 1 percent in August and was unchanged in September. The crude materials index dropped seven-tenths of 1 percent, the fifth consecutive monthly decrease.

Energy prices edged down one-tenth of 1 percent following four months of increases. Natural gas prices posted a rare decline of nine-tenths of 1 percent. Gasoline prices fell 1.3 percent, but home heating oil cost 1 percent more after dropping the previous two months.

Consumer food prices were down two-tenths of 1 percent after dropping five-tenths of 1 percent in September.

Walesa vows to keep spirit of Solidarnosc

Gdansk, Poland—Lech Walesa, the leader of Poland's now-outlawed Solidarity trade union, returned home here after being held 11 months in detention by communist authorities, and pledged to remain faithful to the "spirit" of the labor organization he helped found.

"I was, am, and will be faithful to the spirit of the Gdansk agreement," he told newsmen, referring to the historic worker-state accord ending the 1980 shipyard strike here that gave birth to the first independent trade union in a communist-ruled nation.

"I will never depart from this spirit," he said.

Many still held

Along with thousands of other Solidarity leaders and members, Walesa was detained by the military regime of Gen. Wojciech Jaruzelski last December after the junta swooped down on Solidarity, and suspended it. While many of those held have since been released, hundreds of others are still held by the authorities and martial law, with its limits on personal freedoms, is still in effect.

A new trade union law sponsored by Jaruzelski and passed by the Polish parliament last month outlawed Solidarity and strictly limits the activities of official trade unions the government will allow to exist after the first of the year. Political and sympathy strikes, along with other freedoms granted by the 1980 Gdansk agreement, are banned by the Oct. 9 legislation.

Walesa, who refused to comment on the establishment of the new official unions in his meeting with reporters, said that during his long, isolated internment near the Soviet border, "I did not sign anything and I didn't give anything up. . . . I was freed without any obligations."

Underground and interned Solidarity activists have issued clandestine bulletins condemning the new unions as "treason."

New York rally

Rally sponsored by New York area trade unionists, the Committee in Support of Solidarity, and the Polish American Congress drew hundreds to the Polish consulate, where Ladies' Garment Workers President Sol Chaikin pledged renewed American labor support for the Polish workers.

LaGuardia remembered as advocate of labor's cause

Fiorello LaGuardia championed labor's cause in Congress before becoming New York's "greatest mayor," AFL-CIO Sec.-Treas. Thomas R. Donahue recalled at a Washington lunch marking the centennial of LaGuardia's birth. The event was organized by the National Trade Union Committee of the LaGuardia Centennial organization.

Donahue pointed out that the Norris-LaGuardia Act is a keystone of the labor movement's "Magna Carta" and stands as a declaration "that the Bill of Rights does not end at the factory gate."

The 1932 law, sponsored in the Senate by George Norris of Nebraska—a Republican like LaGuardia—stopped the use of court injunctions to break strikes and outlawed "yellow dog" contracts that forced workers to sign away their union rights.

An award in recognition of his service to the labor movement was presented at the luncheon to Leon Keyserling, a key New Deal figure, who had been an assistant to New York Sen. Robert F. Wagner and was an administrator of the U.S. Housing Authority under President Franklin D. Roosevelt. Keyserling was cited for his contributions to the writing of the Wagner National Labor Relations Act and other major New Deal legislation and, more recently, the Full Employment Act of 1978.

GOP shambles

Donahue said that LaGuardia, "the greatest mayor of the greatest city in the world," would be "outraged" by what today's Republican leadership is making of the cities.

When he became mayor in 1934, LaGuardia's New York was in the throes of the Depression, but under his administration "that city was regenerated both in spirit and in substance," Donahue recalled.

These things could never have been accomplished, he stressed, "except in partnership with a federal government committed to the same civilized and humane goals."

"After living on that legacy for 50 years," he said, "we find ourselves once more with massive unemployment and deepening decay and disrepair in all our cities. Only this time, we have an Administration that has turned its back on the cities and on the philosophy of Franklin Roosevelt and Fiorello LaGuardia."

Keyserling said that LaGuardia and Sen. Wagner, "did not want to turn the American system upside down," but worked to "water the economic tree at the bottom and not at the top . . . because they recognized that this was best for all the people."

Worker rights

The Norris-LaGuardia and Wagner acts "were not only conceived to make working men and women free and give them the power to organize and bargain collectively, but also to bring about the improved distribution of purchasing power, so essential to restore a stricken economy and make it durable and sound," Keyserling stressed.

A resolution adopted at the 1981 AFL-CIO convention urged the labor movement's participation in the LaGuardia centennial activities. On Sept. 30, the House unanimously adopted a resolution designating Dec. 11, his 100th birthday anniversary, as "Fiorello H. LaGuardia Memorial Day." Senate action on the measure is expected when Congress returns.

Fraser stresses job potential in domestic auto content bill

Domestic content legislation being pushed by the auto workers would create 900,000 new jobs to stimulate economic recovery, UAW President Douglas A. Fraser said.

Fraser told a National Press Club luncheon in Washington that a domestic content requirement would be better for consumers than high tariffs or quotas because competition would be enhanced. Japanese car makers and other foreign manufacturers would continue to have access to the U.S. market. But the cars they sell would have to contain a specified minimum percentage of U.S. parts or labor, with the ratio pegged to U.S. sales.

With a content law in place, Fraser said, the "pent-up demand" for new automobiles could propel an economic recovery. The auto industry is in the 45th month of a recession that has devastated Michigan and other auto centers, bringing "agony I haven't seen since I was a kid in the Great Depression." The soup kitchens that once fed Skid Row alcoholics, he said, are now "feeding unemployed auto workers."

Job security

In his remarks and in response to questions, Fraser said job security remains a key UAW contract goal. An early step must be to assure that employment reduction stemming from technological changes be achieved solely through attrition, he said.

Fraser acknowledged the problems the UAW has had in trying to reach an agreement with Chrysler Corp., culminating in a strike by Canadian employees.

Chrysler workers live next door to Ford and General Motors workers receiving more money for the same work, Fraser noted. And Canada's inflation is running double that of the United States, while cost-of-living adjustments are weighted to the U.S. pattern. But he predicted that the strike will be settled "without permanent damage" to a company still climbing back from near-bankruptcy.

In response to questions, Fraser said he thought it would be difficult to get an early AFL-CIO endorsement of a presidential candidate by the required two-thirds majority if the Democratic choice were between Sen. Edward M. Kennedy and former Vice President Walter F. Mondale. But a choice would be likely, he suggested, if there were a serious candidate in the race who represented a right-wing viewpoint hostile to labor's goals.

Fraser, himself, is retiring from the UAW presidency when his term expires next spring and the UAW executive board and a 350-member steering committee of local union officials has recommended as his successor Vice President Owen Bieber, who heads the UAW General Motors Corp. department. Delegates to the union's convention next May will make the decision.

Does this represent the passing of an era? Fraser was asked. He is the last of the "Reuther generation" in the leadership of the union—veterans of the era of sit-down strikes and organizing who shaped a union known for social concerns and bargaining table innovations.

Fraser didn't see it quite that way. He has seen commitment and dedication in young people who don't have the first-hand experiences of his generation, he observed. The "institution" that the earlier generation of union members built so well "is forming the new leadership," Fraser said. And he's "comfortable" with the direction the UAW is pointing.

Federal labor study termed short of mark

A new report on labor relations in the federal government showing a sharp rise in the number of unfair labor practice charges is a step in the right direction, but its conclusions and recommendations "miss the mark in some instances and do not go far enough in others," the Government Employees commented.

While the union said it agreed with the basic findings of a General Accounting Office study of federal labor-management relations, AFGE President Kenneth T. Blaylock said the report "fails to look at the real and fundamental problems" which prevent improvements and a reduction in unfair labor practice charges.

GAO's recommendations to the Federal Labor Relations Authority and the Office of Personnel Management were that the number of charges and processing costs could be reduced if more disputes were settled informally and by assessing the effectiveness of managerial labor relations.

Blaylock said the report is silent on "the single most significant cause" of the high number of unfair labor practice charges in the federal sector—the lack of enforcement by the Federal Labor Relations Authority.

No enforcement

"Enforcement to date has either been non-existent or so long in coming that the dispute issues are rendered meaningless," Blaylock charged.

Without enforcement, he said, federal management apparently sees no compelling need to abide by the obligation to bargain spelled out in the Civil Service Reform Act of 1978.

"With unfair labor practice charges having no deterrent effect, the agencies commit illegal acts and challenge the union to file more charges. The agencies then accept the slap on the wrist they get two years later when they are found guilty," he said.

In its report, GAO said that the number of unfair labor practice charges totaled 6,448 in fiscal year 1981, and costs could reach $25.9 million. It said the number is expected to continue to increase.

Blaylock said the union will ask Congress to enact corrective amendments to the 1978 statute to promote better labor-management relations in the federal sector.

In his statement, Blaylock said the primary problem that must be addressed in any attempt at solving the high rate of charge filings is the lack of acceptance of collective bargaining by federal managers.

"Many government officials fail to understand their statutory duty to bargain," Blaylock said.

Economic signals discourage hope of early rebound

Continued from page 1

rarely approaches 100 percent—it comes closest to that mark only in time of war—it generally averages above 80 percent outside of a recession. The last time it touched 80 percent was in May 1981.

The October decline in industrial production—the total output of the nation's factories, mines and utilities—was the 13th in 15 months and reflected the impact of high interest rates on the economy. Financial analysts, hoping for an easing in the cost of money, were disappointed when Fed Chairman Paul A. Volcker indicated no immediate change in the central bank's policy.

"I am well aware interest rates are still historically high, and that it is not yet clear that a broad-based recovery is under way," he said in a Boston speech. "Obviously, in the circumstances, further reductions in interest rates would be welcome. But we also want to be sure that lower rates can continue so that the recovery will last."

Social security panel weighs funding

Kirkland scores fostering of split among generations

Continued from Page 1

fective in 1984, but giving workers a tax credit for their social security contribution so that there would be no net increase in their taxes.

- Bringing all employees of nonprofit organizations, and all new federal employees, under the social security umbrella. Federal workers with more than five years of service would not be affected.
- Stretching out cost-of-living adjustments for social security beneficiaries by one month a year for the next three years so that, by 1986, these raises would be effective on Oct. 3, instead of July 3, of each year.
- Making provision for a slight reduction in the ratio between benefits and earnings, to take effect in the year 2020 only if such a step were needed to insure the solvency of the trust funds.
- Creating standby authority to raise social security taxes again in the year 2020, but only if economic conditions demand such a step.

Federal sector

On the issue of extending social security coverage to newly hired federal employees, both Kirkland and Rep. Claude Pepper (D-Fla.), chairman of the House Select Committee on Aging and expected to head the Rules Committee in the 98th Congress, expressed strong opposition.

Kirkland said he was concerned about such a move, particularly since it was being considered "in the context of looking for dollars to enhance the status of social security, and not in the context of what is best for the federal employee."

He said federal workers were being asked to "buy a pig in a poke," since discussions about the size and scope of a new federal pension system are still going on. Kirkland said he would "reserve judgment" on any such program until he saw whether it was "fair and equitable."

Pepper voiced concern that putting future federal employees under social security would erode the contribution base of the present federal retirement system.

Taken together, the provisions of the Democratic plan would guarantee added social security revenues of between $150 and $200 billion between now and the end of the decade. That would be enough, the Democrats said, to meet the worst-case economic scenario — more than enough, in Kirkland's view. He insisted the economic forecasts for social security were too gloomy.

In setting the $150-$200 billion target, Kirkland said, "our action should not be constructed as accepting the forecast of a deficit" of that magnitude.

"Our action was based on prudence," Kirkland told his fellow commissioners. "We have nothing to lose by over-funding (social security); we have much to lose by underfunding. We are voting our fears, not our hopes."

GOP prescription

The Democratic proposal stood in sharp contrast to a Republican scheme which called for:

- Slashing initial benefits by 10 percent, so that retirees would receive, on the average, only 38 percent of their pre-retirement earnings, instead of the present 42 percent.
- Moving the age for retirement at full benefits from 65 to 68, which would require workers to stay on the job longer to receive less benefits.
- Hacking 20 percent from the benefits of those who take early retirement at age 62, pegging their pensions at only 64 percent of the full benefit instead of the 80 percent provided in present law.
- Clamping a lid on cost-of-living adjustments, making it impossible for beneficiaries to keep pace with inflation, and stretching out the effective date of such increases for three months.
- Bringing federal employees under social security and reducing benefits for those who qualify for both federal pensions and social security based on their work records in the private sector.

One alternative social security financing plan, not yet addressed by the commission, is the longstanding AFL-CIO call for employers to pay the social security tax on all of their payroll instead of cutting off payments after an annual limit is reached as is the case with employee taxes. The commission staff estimates that such a change would mean $41 billion to $42 billion in additional revenues for the years 1983 to 1989.

Four key issues

For organized labor and its allies in senior citizen groups, the civil rights movement and social welfare agencies—who have banded together in the Save Our Security (SOS) coalition—the deliberations produced tentative agreement on four key issues advocated by SOS.

- Removing social security from the unified budget, so that it would be shielded against efforts to balance the budget by slashing benefits.
- Tying the investment of social security trust funds more closely to current market interest rates. The trust funds now receive an overall yield of about 8.5 percent—well below the current market level. Had the trust funds been invested at market rates over the past 21 years, they would have earned an additional $14.9 billion in interest.
- Adding two public members to social security's board of trustees, giving the public a voice in the economic forecasting now considered the exclusive province of the Secretaries of the Treasury, Labor and Health & Human Services.
- Creating a bipartisan board of directors to oversee the system which affects 36 million beneficiaries and 116 million contributors. At present, the system is run by the HHS Secretary and the Social Security Commissioner.

Generation issue

As the commission moved toward the close of its three days of deliberations, Kirkland spoke directly to the "so-called generation-gap conflict, which, he said, had permeated much of the discussion.

"This system, he said, "is not one which exacts from the young workers for the exclusive benefit of an elderly drone. The system has values for those who are working and who are young today"—by offering survivor benefits if a worker dies during his or her productive years, leaving behind a spouse and dependent children, and by insurance to protect workers and their families in the event of disability.

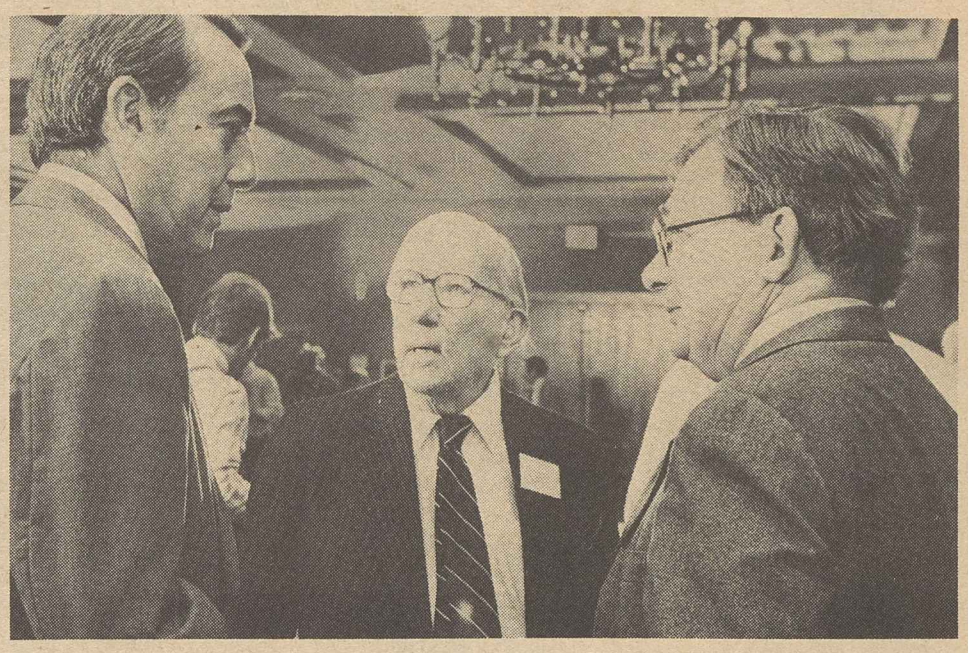
But even if that were not the case, Kirkland said, "I would presume that most young working families would regard it as a value to themselves if their parents are provided for through an effective and sound social insurance system."

In the absence of such a system, he continued, "most human beings would accept the proposition that they have some responsibility to their parents that might otherwise be a burden and might diminish their capacity to meet other responsibilities, such as the education of their children.

"Even if all this were not so and we had a population made up of 'I'm-all-rightniks' and to hell with everyone else . . . it's not unreasonable to say that the proper place to put those costs is on those who have a job and who can work, (who) are healthy and have a long life ahead of them . . . as against imposing those burdens on those who have already done their work and made their contribution to society.

"If you have to choose between the two in the allocation of those burdens and costs, it's entirely proper and reasonable to expect those of us fortunate enough to be able to work . . . to accept it."

The commission will reconvene on Dec. 10 to put the finishing touches on a report due by year's end.



Intermission time for Social Security Reform commissioners, Sen. Robert J. Dole, Rep. Claude Pepper, and AFL-CIO President Lane Kirkland.

Air Line Pilots elect Duffy as new president of union

Bal Harbour, Fla.—Delegates to the Air Line Pilots' 27th biennial board of directors meeting elected Henry A. Duffy, a veteran Delta Air Lines pilot, as the union's new president to succeed John J. O'Donnell.

Duffy, 48, is from Atlanta. He will assume office Jan. 1, becoming the fifth president in ALPA's 51-year history. O'Donnell has led the organization since 1971.

In a three-way race with O'Donnell and Trans World Airlines Capt. John Gratz of Saratoga, Calif., Duffy received 13,753 votes. O'Donnelll netted 10,284, and Gratz 3,209. The votes represent active pilot-members.

Meeting at a time of economic troubles in the airline industry, the board of directors—the union's highest governing body—acted on more than 80 resolutions, conducted internal business, and heard a number of speakers. The 300 delegates attending the meeting were the elected representatives of all ALPA local councils.

Each ALPA council is composed of the pilots of a particular airline in a given geographic area. Duffy currently serves as the highest elected officer of the Delta pilot group.

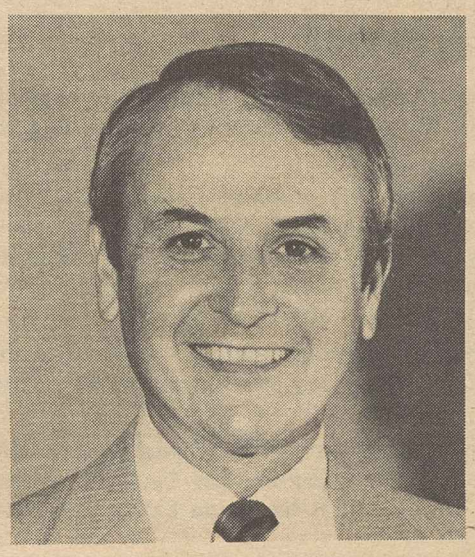
Call for unity

Heralding "a new beginning" and calling for unity, Duffy told the delegates that "to survive the '80s, we have to return to the unity of the '30s." He called for a joint government-industry-labor study group to take a deep look into the causes of the industry's problems to seek ways to correct its ills.

O'Donnell, in congratulating Duffy, urged the board "to work together and get behind the new president. I can assure you he has my support and he needs yours."

Delegates also elected three other national officers. Thomas M. Ashwood, a Trans World Airlines pilot who has served as ALPA secretary since 1977, was elected to the union's second highest post, executive vice president. Gerry Pryde, who had held the post, did not run for re-election. Ashwood is from Bayport, N.Y.

Charles J. Pierce, a United Airlines first officer from Bloomingdale, Ill., was elected to replace Ashwood as secretary, and John J. Magee of St. Louis was re-elected to his fifth consecutive term as treasurer.



HENRY A. DUFFY

Pilot concerns

Constitutional "housekeeping" amendments were among the resolutions presented to the delegates for action. The resolutions covered the whole range of pilot concerns—job security, air safety, contract ratification processes, forced early retirement—as well as communication between line pilots and the union's officers.

Among the speakers were Transportation Sec. Drew Lewis and Chairman James Burnett of the National Transportation Safety Board.

4,000 win major contract gains at Keebler bakeries

Members of the Bakery, Confectionery & Tobacco Workers at six Keebler Co. plants have approved a new contract that includes major improvements in wages and benefits.

The two-year agreement covering about 4,000 employees of the nation's second largest biscuit maker provides wage increases totalling $1.70 and improvements in health, pension and vacation plans. The plants covered are in Denver, Atlanta, Grand Rapids, Mich., Cincinnati, Macon, Ga., and Philadelphia.

The contract provides an across-the-board hourly wage boost of 85 cents on Nov. 1 and another 85 cents in the second year. The first-year increase doesn't apply to starting rates or promotion rates.

First-class journeymen in the maintenance and repair departments will get an additional 15 cents an hour now and another 10 cents Nov. 1, 1983.

To equalize wage rates in classifications in each plant, nearly 800 employees will get additional wage increases of from two to 15 cents on Nov. 1 this year, and 444 workers will get a further increase of seven to 14 cents on Nov. 1, 1983.

The agreement provides for increased company contributions for health insurance, creation of an employer-financed optical plan in the second year, and improved life and accident insurance coverage. Vacation and holiday benefits also were improved.

Senate lineup for the 98th Congress

These are the senators who will serve in the 98th Congress, which convenes in January. Democrats won 20 of the 33 Senate seats that were up for election this year, but holdovers will enable Republicans to carry a 54-46 majority into the new Congress.

*Symbols: † New Senator. * Re-elected.*

ALABAMA
Howell Heflin (D)
Jeremiah Denton (R)

ALASKA
Ted Stevens (R)
Frank H. Murkowski (R)

ARIZONA
Dennis DeConcini (D) *
Barry Goldwater (R)

ARKANSAS
Dale Bumpers (D)
David Pryor (D)

CALIFORNIA
Alan Cranston (D)
Pete Wilson (R) †

COLORADO
Gary Hart (D)
William L. Armstrong (R)

CONNECTICUT
Lowell P. Weicker Jr. (R) *
Christopher J. Dodd (D)

DELAWARE
Joseph R. Biden Jr. (D)
William V. Roth Jr. (R) *

FLORIDA
Lawton Chiles (D) *
Paula Hawkins (R)

GEORGIA
Sam Nunn (D)
Mack Mattingly (R)

HAWAII
Daniel K. Inouye (D)
Spark M. Matsunaga (D) *

IDAHO
James A. McClure (R)
Steven D. Symms (R)

ILLINOIS
Charles H. Percy (R)
Alan J. Dixon (D)

INDIANA
Richard G. Lugar (R) *
Dan Quayle (R)

IOWA
Roger Jepsen (R)
Charles E. Grassley (R)

KANSAS
Robert J. Dole (R)
Nancy Kassebaum (R)

KENTUCKY
Wendell H. Ford (D)
Walter Huddleston (D)

LOUISIANA
J. Bennett Johnston (D)
Russell B. Long (D)

MAINE
William Cohen (R)
George Mitchell (D) *

MARYLAND
Paul S. Sarbanes (D) *
Charles McC. Mathias Jr. (R)

MASSACHUSETTS
Edward M. Kennedy (D) *
Paul Tsongas (D)

MICHIGAN
Donald W. Riegle Jr. (D) *
Carl Levin (D)

MINNESOTA
Rudy Boschwitz (R)
David Durenberger (R) *

MISSISSIPPI
Thad Cochran (R)
John C. Stennis (D) *

MISSOURI
Thomas F. Eagleton (D)
John C. Danforth (R) *

MONTANA
John Melcher (D) *
Max Baucus (D)

NEBRASKA
J. J. Exon (D)
Edward Zorinsky (D) *

NEVADA
Chic Hecht (R) †
Paul Laxalt (R)

NEW HAMPSHIRE
Gordon Humphrey (R)
Warren Rudman (R)

NEW JERSEY
Frank R. Lautenberg (D) †
Bill Bradley (D)

NEW MEXICO
Jeff Bingaman (D) †
Pete V. Domenici (R)

NEW YORK
Daniel P. Moynihan (D) *
Alfonse M. D'Amato (R)

NORTH CAROLINA
Jesse A. Helms (R)
John P. East (R)

NORTH DAKOTA
Quentin N. Burdick (D) *
Mark Andrews (R)

OHIO
John H. Glenn (D)
Howard M. Metzenbaum (D) *

OKLAHOMA
David Boren (D)
Don Nickles (R)

OREGON
Mark O. Hatfield (R)
Bob Packwood (R)

PENNSYLVANIA
John Heinz (R) *
Arlen Specter (R)

RHODE ISLAND
John H. Chafee (R) *
Claiborne Pell (D)

SOUTH CAROLINA
Ernest F. Hollings (D)
Strom Thurmond (R)

SOUTH DAKOTA
Larry Pressler (R)
James Abdnor (R)

TENNESSEE
Howard H. Baker Jr. (R)
Jim Sasser (D) *

TEXAS
Lloyd Bentsen (D) *
John G. Tower (R)

UTAH
Jake Garn (R)
Orrin G. Hatch (R) *

VERMONT
Patrick J. Leahy (D)
Robert T. Stafford (R) *

VIRGINIA
Paul S. Trible Jr. (R) †
John Warner (R)

WASHINGTON
Henry M. Jackson (D) *
Slade Gorton (R)

WEST VIRGINIA
Robert C. Byrd (D) *
Jennings Randolph (D)

WISCONSIN
William Proxmire (D) *
Robert W. Kasten Jr. (R)

WYOMING
Malcolm Wallop (R) *
Alan Simpson (R)

Labor's boycotts an answer to union-busters

By Susan Dunlop

Union-busting is the common theme that runs through the case histories of the nine companies currently on the AFL-CIO boycott list.

John Mara, secretary-treasurer of the AFL-CIO Union Label & Service Trades Dept., notes that the department is in the business of encouraging union members to buy union-made products and use union services. But the other side of the job, Mara stressed, is the exercise of organized labor's collective influence in persuading people not to buy the goods and services of unfair anti-union employers.

The UL&STD concentrates its boycott activities on actions that have been endorsed by the AFL-CIO Executive Council. The council's sanction, Mara said, is the cue for the department to begin a national publicity program that supplements the boycott campaign of the union directly involved.

On the list

The products now on the "do not buy" list are Coors beer, Indiana Desk Co. goods, cements from Kosmos Cement Co., Marine Optical products, the soaps and detergents made by Procter & Gamble, Inc., R. J. Reynolds Co. tobacco products, Seattle First National Bank, meats from Iowa Beef Processors, Inc., and iceberg lettuce from Bruce Church, Inc.

The Union Label Dept. distributes the national boycott list throughout the labor movement and to the labor press every month.

Mara points out that any union has the right to call for a boycott. To gain the endorsement of the AFL-CIO Executive Council, the action must conform to a set of guidelines adopted by the council in February 1980.

The council also has created a separate "unfair" list publicized by the Union Label & Service Trades Dept. to call attention to "do not buy" campaigns where normal boycott activities may not be applicable.

Labor law violators

Boycotts against some of the nation's worst labor law offenders and most repressive employers have spurred action from union members and the public and have contributed to the eventual success of unions in many of those struggles, Mara pointed out.

He stressed that the common thread among the most successful boycotts is a "wholehearted commitment" by the union to make the boycott a top priority. "Money, staff, and someone's full time attention at union headquarters were channelled into those boycotts," Mara said.

Another key, he said, is reaching out to local trade unionists through the network of AFL-CIO state and local labor councils, to publicize the boycott and gain support. Mara said this is an area where his department can offer some of its most valuable service through local union label and service trades councils within the central bodies.

He emphasized that "just saying there's a boycott doesn't make it happen," and before any decision is made every aspect should be thoroughly researched and realistically analyzed by the national or international union.

The employers now on the boycott list "earned their way on with their flagrant disregard for the rights of their workers," Mara asserted. Those disputes include:

- Adolph Coors Brewing Co.—This is the only current boycott initiated by the AFL-CIO itself. It was launched in April 1977 after workers at the Golden, Colo., brewery struck over issues of human dignity. The union was directly affiliated with the AFL-CIO.

Among Coors demands were the unrestricted right to conduct body searches and lie detector tests. The company hired strikebreakers, and the union was later decertified after an election in which only the strikebreakers were allowed to vote.

A number of the fired workers became the core of the group that has kept the boycott active and helped put a large dent in Coors sales.

- Indiana Desk Co.—The Furniture Workers asked the council to back its boycott in May 1982. The Jasper, Ind., office products maker soured 30 years of bargaining relations by calling in a union-busting consultant and frustrating the union's efforts extending more than a year to negotiate a new contract. The workers struck March 29, 1982.

- Kosmos Cement Co.—Another long relationship, spanning more than 25 years, was disrupted in 1980 when the company was acquired by Moore-McCormack, Inc., which refused to honor the existing contract with the Cement, Lime, Gypsum & Allied Workers.

After trying to bargain with the company, the union struck in May 1981, instituted a boycott in July of that year and obtained the Executive Council's endorsement in February 1982.

Contract abandoned

- Marine Optical, Inc.—When the company decided to move its plant from Roslindale to Brockton, Mass., in late 1979, it also decided to run away from its existing contract with the Electrical, Radio & Machine Workers and end a 25-year bargaining relationship.

The union quickly filed charges with the National Labor Relations Board. These have been upheld, but have been dragged into a lengthy appeals process by the company. The council endorsed IUE's boycott of Marine Optical in February 1980.

- Procter & Gamble, Inc.—The Steelworkers won an election and were certified as the bargaining representative of the workers at P&G's Kansas City, Kan., soap and detergent plant in May 1980 after a 43-year-old in-plant union asked USWA to help win a fair contract.

After months of bargaining, the Steelworkers agreed to accept P&G's "last offer," but the company then reneged and started a program the union describes as "punishment and reprisals" against the plant's workers.

The USWA organized a worldwide boycott of the company's soap products that was endorsed by the AFL-CIO council in November 1981.

- R. J. Reynolds Co. tobacco products—The oldest boycott on the list dates officially from 1955, but union members have been boycotting Reynolds' cigarettes and tobaccos since the 1920's.

BCT campaign

Repeated attempts by the Tobacco Workers to organize Reynolds workers in plants near Winston-Salem, N.C., have been beaten back by the company. The most recent was a campaign by the Bakery, Confectionery & Tobacco Workers in 1974.

- Seattle First National Bank—The AFL-CIO council endorsed the Food & Commercial Workers "close your account" campaign against the bank in July 1979. The 40-year-old independent union that had been representing Sea-First workers affiliated with the UFCW in March 1978 and notified the NLRB of the change.

Although ordered by the board to recognize and bargain with what is now UFCW Local 1182, after being found guilty of a variety of unfair labor practices, the bank tied the board decisions up in appeals.

- Iowa Beef Processors, Inc.—Labor relations with the Dakota City, Neb., company have always been stormy. No dispute over a contract there has been settled without a strike, and IBP's reinstatement on the boycott list in August 1982 at the request of the UFCW marked the fourth boycott since 1969 when the Meat Cutters achieved the first contract with the firm.

- Bruce Church Co.—One of the labor movement's most widely supported boycotts was the one led by the Farm Workers in the 1970s against growers of grapes and lettuce.

That boycott has been credited with helping bring contracts, decent wages and conditions to many workers in those fields for the first time.

Bogus bug swatted

Catlettsburg, Ky.—A company offering a phony union label to non-union printers has been ordered by a federal court to stop selling its bogus bug.

The so-called American Independent Lithographers Union, Inc., a private company, agreed to the terms of an injunction issued by the U.S. District Court for Eastern Kentucky. The firm was ordered to stop selling its "union label" which it had advertised to printers as a way to put a label on their work without having any union contracts in their shops.

The president of the company, Roger Dodds, was also required to inform companies that had bought the phony bug of the court order and to instruct them to stop using it.

The suit was brought by the Graphic Arts International Union, the International Allied Printing Trades Association and the Louisville Allied Printing Trades and was joined by the AFL-CIO Union Label & Service Trades Dept.

EDITORIALS

Is Anyone Listening?

HALLOWEEN IS long past, but those voodoo economists who have President Reagan's ear are still flying high in the White House.

Supply-side economics has brought us nothing but huge deficits and the highest unemployment in more than 40 years. So let's have some more of it. That's what the President and his key aides seem to be saying.

Election-battered Republicans in Congress and in the state capitals have been trying to tell the Reagan White House that Americans voted for a change in course, that unemployment was the Number One issue.

But no one at the White House seems to be listening.

The President goes before a convention of bankers to say that what America needs is further cuts in non-defense spending. Oh yes, Mr. Reagan also wants the House to reconsider the balanced budget constitutional amendment proposal that it so wisely rejected before the election.

We've got to cut the budget still further, the President insists. And he will veto any budget-busting measures Congress passes.

But that's not all, apparently. Now the President says he is actively considering a plan to make the next 10 percent cut in the federal income tax effective on Jan. 1, 1983, instead of July 1, 1983.

THAT, OF COURSE, would push projected deficits above their already staggering $150 billion mark. And it would presumably lay the groundwork for new Administration pressure to cut spending and abandon proposals to put unemployed Americans to work.

As with the earlier stages of the tax cut, the biggest beneficiaries would be those with the highest incomes. People without a job wouldn't get a thing.

If it doesn't work, of course, the President could explain once more that it's not his fault that so many people are without jobs. It's the fault of all of his predecessors—the fault of Presidents Carter, Ford, Nixon, Johnson, Kennedy, Eisenhower, Truman and back to Franklin D. Roosevelt.

America just hasn't been the same since Herbert Hoover's Administration.

Three (Tentative) Cheers!

JUST ABOUT every sports columnist in the country, it seems, is an authority on collective bargaining and labor relations as well as everything else. So the members of the football players union haven't lacked for unsolicited advice.

Nevertheless, it is the members of the National Football League Players Association who call the signals. It was their decision to strike and it will be their decision whether to ratify the tentative agreement ending the strike.

Regardless of that decision, this much is obvous:

The players understood the importance of teamwork, and they showed it during the eight weeks of their strike. In the trade union movement, we call it solidarity.

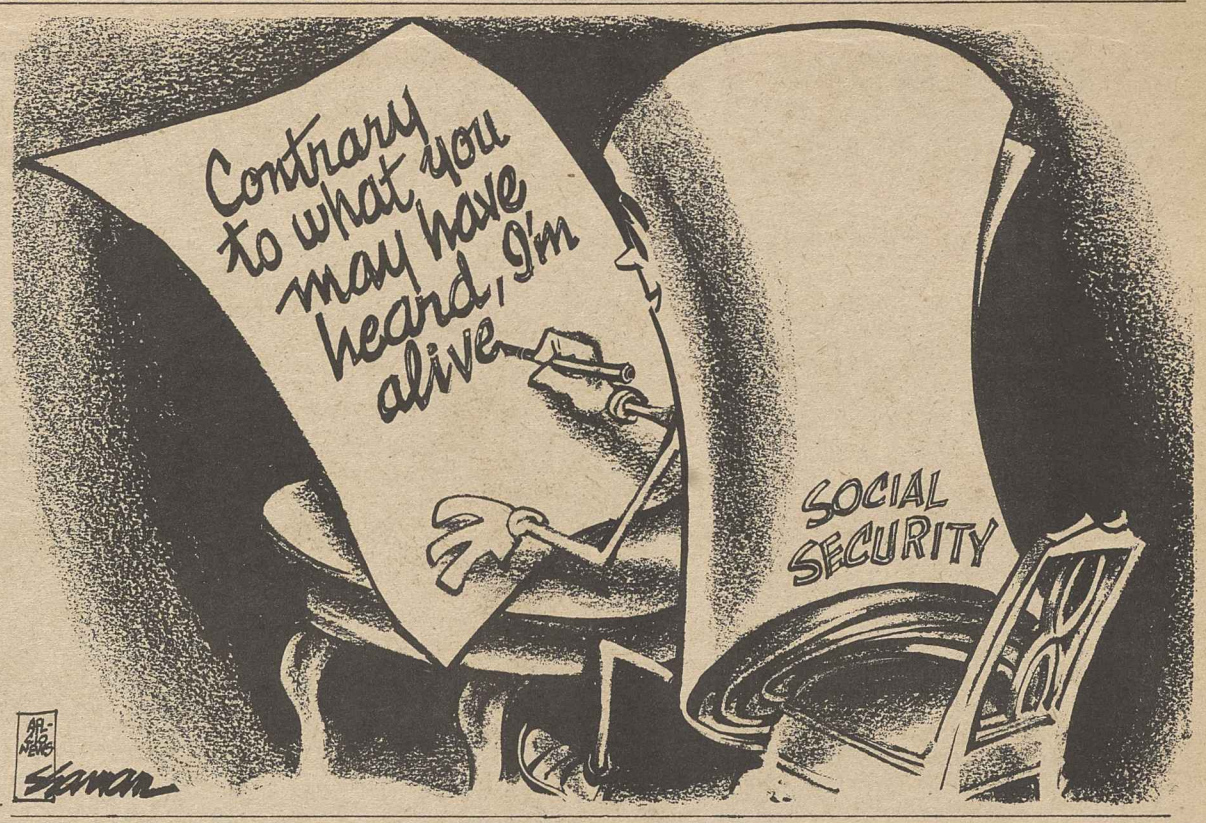
A hostile management repeatedly tested the union and learned that it would not break. In the end, an agreement was reached through the give-and-take of collective bargaining.

THERE IS NO doubt that gains the players could not have achieved without a strike will benefit future professional football players as well as those who sacrificed to achieve them.

That, too, is in the nature of union contracts. Pensions are such an accepted feature of employment these days that it is easy to forget there were virtually no employer-funded pensions in American industry until 500,000 Steelworkers struck for more than a month in 1949.

That first agreement was for a $100-a-month benefit, including social security. But it was a mighty big foot in the door.

As we owe a debt to those who put their jobs on the line a generation ago, so tomorrow's NFL players will owe a debt to their trade union predecessors.



Washington Window

Social security concerns part of election message

By Press Associates, Inc.

Those who went to the polls in the recent midterm elections reported that they were concerned most of all about unemployment and then about the future of social security.

Those who named jobs and social security as their biggest worries voted overwhelmingly for Democratic House candidates and against those of the GOP, a party which has become associated with social security cutbacks, past and proposed.

Thus, the outcome of the election, in which the Democrats netted 26 additional House seats and many Republican incumbents held their seats by slim margins, can be read as a message to Congress to keep hands off social security benefits.

The final weeks of the campaign were filled with rhetoric, misinformation, and plain nonsense about social security.

One example was when President Reagan accused the Democrats of "trying to scare the elderly" regarding social security. Going back to May 1981, it was Reagan and his budget chief, David Stockman, who scared — and mobilized — the elderly by proposing savage cutbacks in social security benefits, especially for early retirees and the disabled, to "save" the program from "bankruptcy."

Administration retreat

A public outcry forced the Administration to back off for the time being. Reagan appointed a "bipartisan" National Commission on Social Security Reform to make recommendations to Congress.

The new 98th Congress, which will take up the question of how best to ensure the program's continued solvency, should first separate the myths being perpetrated about social security from the facts.

One myth is that drastic, long-term "reforms," including some form of benefit cuts, must be made in the program to keep it from "going broke."

The fact is that the 47-year-old social security system is structurally sound and its funding problems are mostly short-term. The usual large surpluses in the program's three trust funds—old age and survivors; disability, and Medicare—have been declining because the nation's economy has been weak in recent years, especially during the Reagan Recession.

Unemployment's impact

High unemployment and slower wage gains have meant less payroll taxes paid into the program while high inflation has meant that benefit payouts, tied to the consumer price index, have been larger than had been foreseen.

The old age trust fund has been the only one headed toward near-term deficits. Congress this year wisely authorized this fund to borrow from the disability and Medicare funds.

This will be sufficient to carry the program through most of 1984.

Borrowing from the Treasury's general revenue funds is one such solution. The money could be paid back with interest when the program yields an expected surplus after 1990.

Scheduled payroll tax increases through 1990 and demographic shifts—an increase in the postwar "baby boom" workforce and a lower rate of retirees—is expected to keep the program financially healthy for at least 20 years beyond 1990.

Another myth is that Americans could get a better deal through a private pension or a special Individual Retirement Account (IRA). The conservative Heritage Foundation has actually proposed phasing out the social security program

The new Congress should reject the myths spread by the enemies of social security and those who would try to balance the federal budget on the backs of the elderly.

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Thomas R. Donahue, *Secretary-Treasurer*

Executive Council

John H. Lyons, S. Frank Raftery, Albert Shanker, Edward T. Hanley, J. C. Turner, Kenneth T. Blaylock, William H. Wynn, Wayne E. Glenn, Joyce D. Miller, Frank Drozak, Richard I. Kilroy, Thomas W. Gleason, Martin J. Ward *, Glenn E. Watts, Angelo Fosco, Lloyd McBride, Alvin E. Heaps, John J. O'Donnell, Robert F. Goss, John J. Sweeney, James E. Hatfield, Vincent R. Sombrotto, Frederick O'Neal, Murray H. Finley, Sol C. Chaikin, Charles H. Pillard, David J. Fitzmaurice *, Wm. W. Winpisinger, John DeConcini, William Konyha, Douglas A. Fraser, Barbara Hutchinson, Gerald W. McEntee

* deceased

Job injuries continue to show decline

Work-related injuries declined in most U.S. industries during 1981, although the decline was not as sharp as the year before, the Bureau of Labor Statistics reported.

The government's survey of private industry employers also showed a slight drop in occupational fatalities and job-connected illness last year from 1980 levels. But again, the rate of decline in these categories was narrower than from 1979 to 1980.

In its sampling of employer reports, BLS found that job-related injuries dropped by 200,000 to 5.3 million last year. In 1980, the bureau recorded a drop in injuries of 500,000 to 5.5 million.

Donovan takes credit

Labor Sec. Raymond J. Donovan hailed the improvements in the occupational injury and illness report for 1981 as a reflection of Reagan Administration policies.

"Most significantly during the first year of the Reagan Administration, workers were less likely to be hurt at work than during any other year in the past decade," Donovan declared.

Even so, the BLS report cited a general decline in occupational injuries over the past 10 years, pointing out that the injury incidence rate declined from one in every 10 workers in 1972 to one in every 13 in 1981.

AFL-CIO Occupational Safety Director George H. R. Taylor suggested that the 1981 improvements actually stem from policies instituted at the Occupational Safety & Health Administration by former Assistant Labor Sec. Eula Bingham during the Carter Administration.

"The Secretary is attempting to get a free public relations ride on Dr. Bingham's gas," Taylor charged.

He said that none of the new OSHA "enforcement innovations" was in place during 1981 except for the inspection targeting program. Under OSHA's targeting plan, he noted, almost half the inspections involve a review of employers' records rather than actual inspections of workplaces.

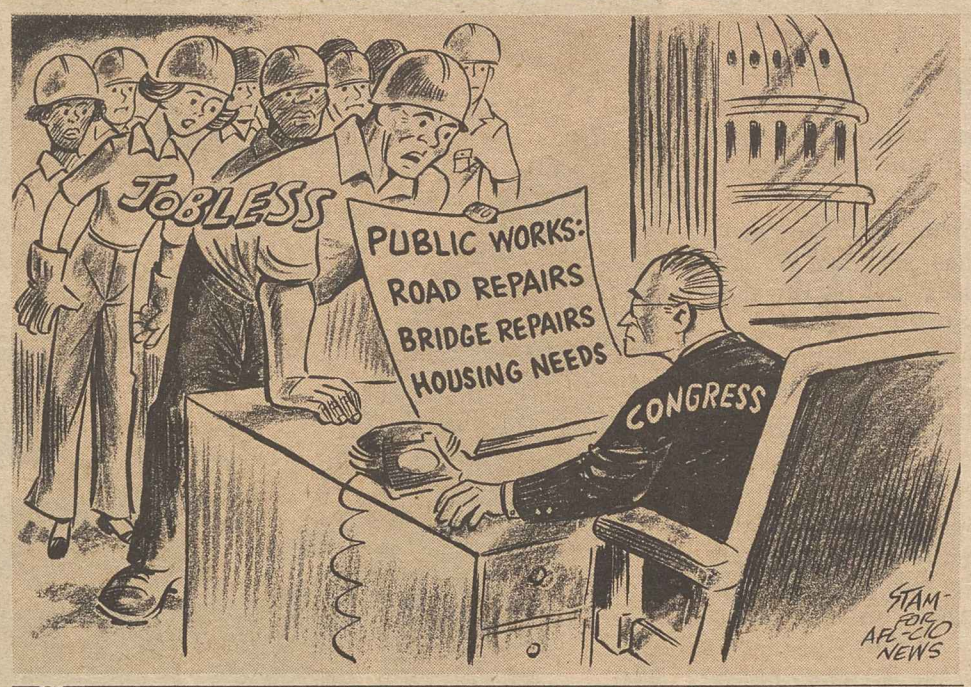
Puffery scored

Organized labor welcomes any decrease in workers' injuries, Taylor stressed. But he dismissed as "puffery" Donovan's attempt to attribute the drop to his Administration's policies.

The BLS report also showed:

- Job-related deaths declined to 4,370 in 1981 from 4,400 the year before.
- The estimated number of occupational illnesses declined to 126,100 from 130,200 in 1980.
- Injuries involving lost workdays dropped by 100,000 to 2.4 million in 1981.
- The largest decline in injury rates occurred in manufacturing and construction, but increased in mining. Even so, construction remained the most hazardous major industry with an injury rate of 14.9 per 100 workers in 1981, followed by mining at 11.4 and manufacturing at 11.1 per 100 workers. Meanwhile, the injury rate for agriculture, forestry and fishing rose from 11.3 to 11.7 per 100 workers last year.

'There's Work to Be Done!'



Donahue sees Reagan policy as a 'great leap backward'

New York—The future of the American economy should be determined with a greater degree of citizen support, AFL-CIO Sec.-Treas. Thomas R. Donahue said in a speech before the Franklin Delano Roosevelt Centennial Commission conference here.

He called on the Reagan Administration to respond to the election verdict and alter its course to deal with the suffering of unemployment.

"We think that even if the Administration doesn't, Congress will," he said.

Calling for a national consensus on economic goals and policies, Donahue said it was ironic that just as the conference gathered to mark the 50th anniversary of FDR's election as President, the current Administration "is doing its utmost to take a great leap backward to the pre-New Deal era."

Wrecking crew

"The Reaganites have come close to dismantling all of the benign and constructive activities of government that were fostered by the New Deal in response to the rejection by the people of a do-nothing government," Donahue observed.

"The Reaganites are joyfully removing the federal presence from any substantial role except for the raising of armies and the de-taxing, de-regulating, and general unleashing of private business enterprise.

"In the process of getting government off our backs and turning civic responsibilities over to private enterprise and the state legislatures, the Reaganites have done violence to the concept of 'one nation, indivisible, with liberty and justice for all,' which was embodied and given tangible form in the unifying endeavors of the New Deal."

National consensus can be achieved but the President and his associates must be open to it, Donahue said. "It is a way which cannot be walked by ideologues. For our part, as a trade union movement, we continue to be available for such a serious effort to bring business, government, and labor together."

Donahue reiterated the AFL-CIO's long-standing belief that only a nationally coordinated industrial policy can help the nation's factories survive and grow.

"To deal directly with the nation's many concrete and visible problems," he said, "we have urged the creation of a tripartite national reindustrialization board—including representatives of labor, business, and the government—which would develop a balanced program to insure the revitalization of the nation's sick industries and decaying communities while at the same time encouraging the development of new industries with promise for the future."

The board would also provide policy and priority guidance for the activities of a financing agency patterned after the Reconstruction Finance Corp. of the 1930s and 1940s. This agency would be authorized to make and guarantee loans for approved reindustrialization ventures. In addition, private pension funds could be encouraged to invest in ventures to support and expand industrial employment.

Such a national industrial policy, Donahue suggested, "would force the development of a sensible and sustained education policy designed to feed into those industries the trained engineers, scientists, technologists, and others who would be required, and would also force the development of a trade policy somewhat more sophisticated than that which can ever be achieved under the simplistic rubric of free trade in a world in which it doesn't exist."

NLRB covers toteboards at horse tracks

The National Labor Relations Board, in a 3 to 2 decision, asserted its jurisdiction over employees of the American Totalisator Co., a Towson, Md., firm that makes and maintains parimutuel betting equipment used at racetracks throughout the United States and Canada.

The majority ruling represents a reversal of the board's policy regarding the company. In a 1979 decision involving the manufacturer and the New York Racing Association, the agency declined to amend its rules and regulations which historically have excluded the horse racing industry from its purview.

The majority stressed that American Totalisator "maintains its operation as an independent entity with its own employees who are hired, supervised, assigned, and transferred without any input from the owners of the racetracks," and that its operations are not an integral part of the racing industry.

Different group

The company's 445 shop and field employees involved in the case, therefore, "are outside the category of employees contemplated" by the board's exclusion of horseracing the NLRB majority observed. Members John H. Fanning, Howard Jenkins, Jr., and Don A. Zimmerman joined in the opinion.

Dissenting were Chairman John R. Van de Water and Member Robert P. Hunter, who held that the company's operations are an integral part of horse racing.

The ruling stems from unfair practice charges filed with the NLRB by Local 1501 of the International Brotherhood of Electrical Workers, which has bargained collectively with the company since 1946. The firm has recognized the union over the years even though it took the position that it was not within NLRB jurisdiction.

Following a 12-day strike in March 1980, the union filed charges accusing the company of violating the rights of three workers who were on sick leave at the time of the walkout. The company, which had refused to pay sick benefits to the workers, also sent a letter to all employees urging them to ratify management's proposal for a new agreement and declaring that it would refuse to bargain further.

Job-stimulus needs shape lame-duck Congress agenda

Continued from Page 1

freedom from regulation for businesses locating in depressed city areas.

There was a general belief, however, that the Administration will end up supporting a plan being pushed by Transportation Sec. Drew Lewis and a number of Senate Republicans for an additional gasoline tax to finance badly needed highway repairs. White House aides now refer to the proposal for a higher gasoline tax as a "user fee" instead of a tax increase, which would be counter to Reagan's supply-side economic theories.

Reuss has proposed that an economic recovery program be financed largely by limiting the 10 percent income tax reduction scheduled for next July to a maximum of $700 per return—affecting only high-income households that have already benefitted most from earlier stages of the tax cut. He also advocated holding the projected 7 percent annual rise in constant-dollar defense spending to a 5-percent rate.

In sharp contrast, President Reagan said the Administration is considering advancing the tax cut to the start of the year in another gamble on supply-side economic theories.

In the wake of the election, congressional Republicans have been going public with complaints that the Administration's inaction in the face of rising unemployment led to the GOP defeats and near-defeats.

A Republican governor's conference turned into a gripe session against Reagan policies that were blamed in large part for the net loss of seven statehouses in the election.

And at a meeting called by the U.S. Conference of Mayors, there was bipartisan accord for a jobs program to repair the infrastructure, housing assistance and emergency aid for the unemployed.

House and Senate Democratic leaders, while welcoming the Reuss proposals, made clear that other measures would also be considered and that the agenda for both the lame duck session and the new Congress is still being formulated. There was accord that the first emphasis would be on a public works package.

"The important thing is to get started on the highway, bridges, sewage systems and public structures that are ready to go," Reuss said.

"We hope to put hundreds of thousands of Americans to work doing useful things," he declared.

Cement Workers move headquarters offices

The Cement, Lime, Gypsum & Allied Workers have moved the union's headquarters offices to 2500 Brickvale Drive, Elk Grove Village, Ill. 60007. The new telephone number is 312-595-5171.

The union's offices were previously in Chicago.

Any more 'good' news?

There's a cracked crystal ball over at the U.S. Chamber of Commerce.

It's the one the Chamber's chief economist, Dr. Richard W. Rahn, used last year after the nation's jobless rate had climbed to 7.5 percent, pushing unemployment close to the 8 million mark.

Not to worry, Rahn insisted in a press release issued on Oct. 2, 1981:

"The U.S. Chamber's latest forecast indicates that as a result of the enactment of the Administration's economic program, the unemployment rate will start to decline" early in 1982, dropping below 7 percent by year's end.

Rahn is still the Chamber's chief economist. But the jobless rate at latest count was 10.4 percent and the Reagan Administration's economic program has pushed unemployment to 11.6 million.

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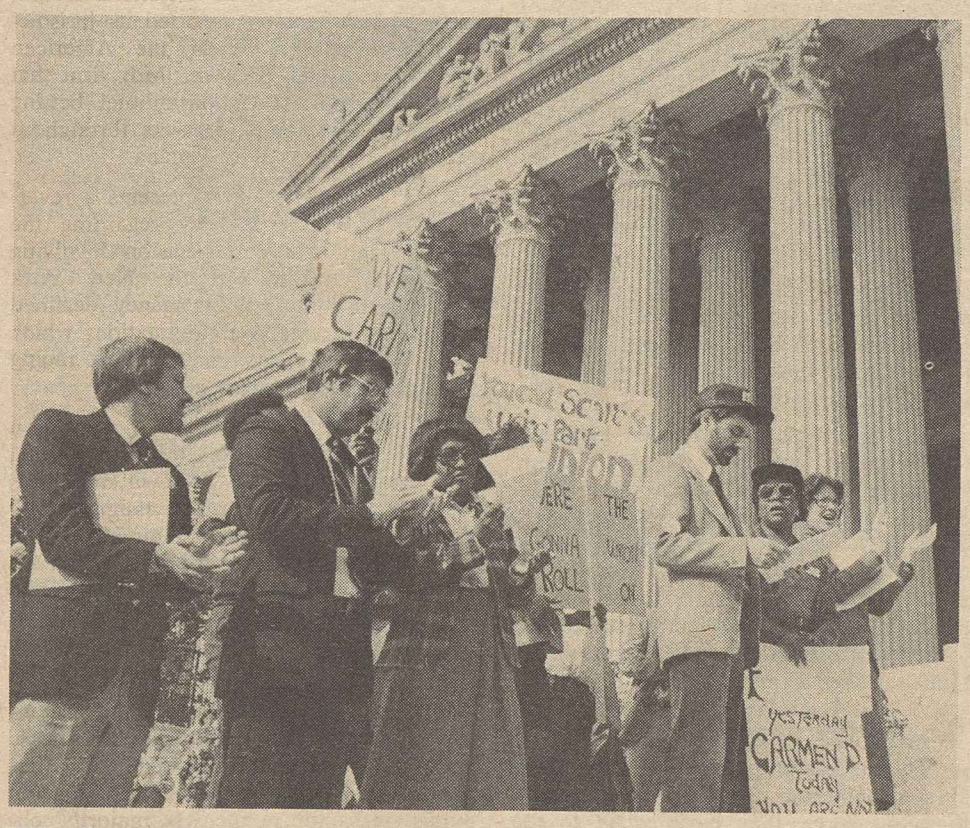
MEMO FROM COPE
PAGE 8



Union-busting federal style

A protest over the firing of Carmen Delle Donne, president of the American Federation of Government Employees local at the National Archives in Washington, drew hundreds of demonstrators to the Archives steps. Delle Donne was sacked after a heated bargaining table exchange over a management takeaway proposal, and AFGE charges it was union-busting. From left are AFGE Sec.-Treas. Nicholas Nolan, Vice President Donald MacIntyre, Women's Dept. Director Barbara Hutchinson and Delle Donne. (Story, Page 4.)

Bipartisan accord in Congress spurs highway jobs plan

By David L. Perlman

The AFL-CIO welcomed a bipartisan accord on a job-creating program for repair of roads and bridges, but stressed the need for Congress to follow through with other ingredients of an economic recovery legislative package.

Legislative Director Ray Denison said highway rehabilitation should be coupled with a broader program of public works and public service jobs, measures to revitalize the housing industry and a domestic content requirement for automobiles sold in the United States.

Denison termed the groundswell of support for the highway program a recognition that "putting people to work is the single most important issue facing the country."

It is expected to provide more than 300,000 jobs but Reagan, in a belated endorsement of the program, insisted he was supporting it only because roads are in such disrepair.

Reagan had resisted the program, which had been pressed by Transportation Sec. Drew Lewis. The White House announcement of presidential support came after House Speaker Thomas P. O'Neill, Jr. (D-Mass.) and Senate Majority Leader Howard Baker (R-Tenn.) said they would push the legislation in the lame-duck session of Congress that convenes Nov. 29 whether or not it has the President's endorsement.

Higher gas tax

The proposal expected to be presented to Congress calls for a five-cents-a-gallon increase in the federal gasoline tax to fund the program, with four cents earmarked for highway-related projects and one cent for mass transit equipment.

Denison said the AFL-CIO is still weighing the merits of financing the program through a higher gasoline tax, "but feels the program must move forward immediately because unemployment is still increasing."

He termed the measure "a down payment for what should be a comprehensive anti-recession program."

Baker and O'Neill told the White House bluntly that Congress doesn't want an income tax cut scheduled for next July advanced to Jan. 1, 1983—as has been urged by some of the Reagan Administration's supply-side ideologues.

An accelerated tax reduction would push up a recession-inflated federal budget deficit, and Baker said he doubted if it would pass either the Republican-controlled Senate or the Democratic House.

Reagan told reporters at the White House that he is still considering an accelerated tax cut proposal.

Agendas differ

Baker and O'Neill parted company, however, on an agenda for other anti-recession measures for the lame-duck session, which is expected to run until mid-December.

O'Neill indicated he will also seek House approval of a broader jobs bill, housing subsidy legislation and a domestic content measure.

He will work with Baker wherever possible, he said. "Our first priority must be to put the millions of unemployed back to work," and "both parties must work together" to meet that goal, O'Neill said.

Senate urged to reject new nominee for NLRB

National Labor Relations Board Chairman John R. Van de Water will leave office Dec. 16 after having failed to win Senate confirmation, but President Reagan has nominated another management lawyer to succeed him.

The AFL-CIO opposed Van de Water's confirmation and will also urge the Senate to reject the new nominee, Assistant Sec. of Labor Donald Dotson.

Dotson joined the Reagan Administration after serving as a management labor relations lawyer for a string of industrial firms, and the AFL-CIO's view is that he lacks the neutrality expected of an NLRB member, and especially its chairman.

Anti-worker record

"The NLRB and its chairman are charged with enforcing the nation's basic federal labor law for protection of workers' rights," the AFL-CIO pointed out. But Dotson's record, both before and since joining the Reagan Administration, "is simply not the record of a person who believes in protecting workers," the federation said.

Dotson was nominated for a full five-year term, to replace John Fanning, a former NLRB chairman whose term on the board expires Dec. 16.

To fill out Van de Water's term, running to Aug. 27, 1986, Reagan nominated Patricia Diaz Dennis, an attorney with the American Broadcasting Co. She would be the only Democrat on the NLRB, serving with three Republicans and one independent.

The White House announced that Van de Water will move to the Labor Dept. after his resignation from the NLRB takes effect to serve as special assistant to Sec. of Labor Raymond Donovan. John C. Miller, who served as chief counsel on Van de Water's staff, has been named to a five-year term as general counsel of the Federal Labor Relations Authority, which has functions in the federal civil service that are comparable to those of the NLRB.

Van de Water headed his own management consulting firm before his appointment to the NLRB—advising on campaigns to defeat union organizing efforts.

Continued on Page 5

Economy shows zero growth rate for third quarter

Economic growth ground to a standstill in the third quarter as the Reagan Recession continued to take its toll.

Largely because U.S. foreign trade and retail sales were weaker than expected, "real" gross national product remained unchanged between July and September, the Commerce Dept. said in releasing a revised estimate of economic output during the period. Furthermore, the department said, real GNP is unlikely to expand in the current quarter.

Separately, the department reported that new orders to the nation's factories for durable goods—another closely watched indicator—declined 4.9 percent in October. It was the largest monthly decline since last Octoer, when orders fell 8.6 percent.

Continued on Page 4

5th straight month

Paycheck buying power drops

By James M. Shevis

The buying power of the average American worker's paycheck continued to fall in October, down five-tenths of 1 percent, as reduced workweeks and higher prices cut into "real" earnings.

The drop in real, or inflated-adjusted, earnings was the fifth straight monthly decline and continued a deepening trend. The decline was four-tenths of 1 percent in September, two-tenths of 1 percent in August, and one-tenth of 1 percent in July.

Over the year, real earnings were down by 1.3 percent.

The Bureau of Labor Statistics attributed the October decline to a drop of three-tenths of 1 percent in average weekly hours of work and a five-tenths of 1 percent increase in consumer prices over the month.

While gross weekly earnings of production and nonsupervisory workers in the private sector averaged $268.93 in October, this represented only $166.11 in constant (1977) dollars.

The latest jump in retail prices lifted the government's consumer price index to 294.1 percent of its 1967 level, which meant that goods and services costing $100 fifteen years ago now cost $294.10. The CPI last month was 5 percent higher than it was 12 months ago.

Housing costs rise

Higher rent and home fuel costs were largely responsible for the October acceleration in consumer prices, BLS said. While mortgage interest rates fell 2.3 percent, the decline was offset by a rise of nine-tenths of 1 percent in rents and sharp increases for home fuels and utilities, which as a group rose 1.5 percent.

Within the home fuel category, piped gas rose 3.6 percent, reflecting the continuing effects of natural gas decontrol, and home fuel oil rose 1.9 percent.

Further price increases for transportation, entertainment, and other goods and services also contributed to the October upturn in the CPI. These increases were partially offset by smaller increases for food and beverages and apparel and upkeep.

A seven-tenths of 1 percent increase for medical care was somewhat less than the average monthly increase during the first nine months of the year, BLS said. Medical care costs have been one of the fastest-rising components of the CPI, and are now 10.7 percent higher than a year ago.

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Slow growth afflicts world economy

Reston, Va.—The AFL-CIO's chief economist warned in a speech here that the outlook for the world economy—unduly influenced by monetarist policies—is "distressing."

"After two years of recession, and with only minimal growth anticipated at best, no country is undertaking major traditional job-creating programs," Rudy Oswald, director of the federation's Dept. of Economic Research, told the American-German Economic Conference.

"Rather, the major nations continue to concentrate on anti-inflation policies rather than anti-recession programs. The AFL-CIO does not believe this will work at home or abroad."

Broad representation

The economic conference, sponsored by the Friedrich Ebert Foundation of West Germany, drew some 150 high-ranking representatives of government, banking, industry, trade unions, and the press from both the United States and Germany. Held annually, it deals with various aspects of transatlantic relations.

If the global economy is to revive, Oswald said, contractionary policies must be rejected both in the United States and among both advanced and developing nations. Policies that cling to monetarism, budget cuts hurting the poor and tax cuts skewed toward the wealthy must be reversed, he said.

"It is time to abandon these misguided economic experiments in voodoo monetarism and to undertake programs to revive the economies in the United States and elsewhere," Oswald declared. "If free nations persist in their refusal to change course, one can expect continued economic stagnation in both the United States and the rest of the world."

With millions of people out of work, Oswald said, policies must be implemented to create jobs and generate economic growth instead of unemployment and slow economic growth.

Lesson ignored

In the United States, the Reagan Administration's economic program has ignored what Oswald called a fundamental lesson of the post-World War II period: i.e., that recovery can best be achieved through the active role of the government. Instead, the Administration has based its strategy on the notion that unfettered free markets will somehow turn the economy around without any governmental push.

The Reagan program—based on the four pillars of tax cuts favoring business and the wealthy, budget cuts primarily affecting social and job programs, fewer workplace regulations, and high-interest rates—has had the reverse effect from that predicted by the President 21 months ago, Oswald pointed out.

Citing Reagan's message to Congress on Feb. 18, 1981, accompanying the Administration's economic programs — including promise of 13 million new jobs if the measures were enacted—Oswald noted that since the beginning of the Reagan Recession in July 1981 employment has fallen by 2.4 million.

"Unemployment is now at 10.4 percent, and the number of people unemployed is the highest since the trough of the depression five decades ago," he said. "Business activity has plummeted (and) the number of bankruptcies is at its highest level since the 1930s."

With over 30 percent of industrial capacity lying unused, it is not surprising that the Administration's investment incentives have proven futile, Oswald observed. In addition, while interest rates have declined from their staggering levels of a few months ago, they still remain high, particularly when adjusted for inflation. As a result, other interest-sensitive sectors, especially housing and autos, remain sluggish, he said.

Similar weakness plagues the economies of other nations, Oswald said. More than 30 million people are unemployed in the industrial countries, and the number is expected to grow.

The "foolhardy" monetarist approach to economic problems exists in many places throughout the world and is accepted by far too many policymakers as the proper solution, he observed. He cited the International Monetary Fund's approach which, in its main thrust toward containing and abating inflation, appears to be a mirror image of the Reagan Administration's own "ill-founded" policies.

Worldwide impact

"To the extent that the IMF has been able to influence policymakers to adopt these measures, they have added to the worldwide spread of recession," he said. "The failure of Reaganomics in the United States is obvious. Why the IMF would embrace these failed policies is less clear."

Like the United States, some countries —notably Chile and the United Kingdom— have voluntarily adopted the monetarist approach and, like the United States, are now paying for it in the form of weak economies and high unemployment, Oswald pointed out. Many of these countries are being run by the "Chicago Boys," so called because they received their training at the University of Chicago under conservative economist Milton Friedman.

Pump-priming needs

While the British and the other "Chicago Boys" of the Western world reject government pump-priming at home, many are willing to extend credits to the Soviet Union and other Eastern European countries to stimulate their communist economies, he noted.

In the United States, the Administration does not have to wait in vain for market forces to unleash themselves and bring the nation out of the recession, he said. Instead, a pump-priming program can be used to generate jobs and stimulate the economy.

Oswald pointed out that the AFL-CIO has proposed a clear alternative to the Administration's programs. He noted that labor's plan sets the restoration of full employment and economic growth as priority goals and includes job-generating public works and public service programs, the channeling of money and credit toward productive investment, the introduction of a new reindustrialization policy, tax reform, and the sustainment of social programs protecting the elderly.

New home port

The Seafarers International Union has moved its headquarters from Brooklyn, N.Y., to a newly built facility near Washington, D.C. All of the union's activities have been transferred to the new building at 5201 Auth Way & Britannia Way, Camp Springs, Md., 20023; telephone (301) 899-0675. The union plans a dedication ceremony when the building is in full operation.

Woodworkers' new accord links wages to productivity

Portland, Ore.—The Woodworkers have reached an innovative agreement with Crown Zellerbach Co., that links wages to productivity and involves union members in company decision-making.

While the new pact covers only about 500 loggers employed by Crown Zellerbach, it will be watched closely for possible trend-setting implications.

"Everyone will be watching it to see how it will work. A few years down the road it may have an effect," said John Ball, secretary-treasurer of the Woodworkers' Western Regional Council 3. Ball said he doubted that the new agreement would affect present negotiations between the union and other major wood products firms. The Crown Zellerbach agreement is the first of several pacts to be negotiated in the industry to replace contracts that expire next June.

Replacement rates

The Crown Zellerbach settlement, concluded more than six months before the current contract is scheduled to expire, will replace hourly pay rates with a new "pay for production" system in which the company will establish a labor price for each activity or combination of activities in dollars per unit of production. In effect, loggers, who now earn an average of $12 to $13 an hour, will work as if they were contractors.

Under the agreement, which takes effect June 1, 1983, the company will continue to provide certain industrywide benefits and equipment.

Joint operations committees will be formed at each of the company's six work sites in Oregon and Washington. Each committee will include eight members, four from the company and four from the union. These panels will constitute the "core leadership" of the firm's logging operations.

Joint committees

"The local joint operations committees will be making the substantive decisions to enable the company to be more productive, more cost effective, a tough competitor, and an excellent performer in the industry," a company statement observed.

The company also said the new arrangement will replace the "more rigid" vacation and holiday schedules that are now in effect.

Moreover, "since the new agreement will result in sharing of production and support activity earnings rather than individual hourly rates, there will be no classification or craft lines, and employees will perform whatever work is required to maintain a safe and productive operation," the company statement said.

The union's western membership has been hard hit by the slump in wood products demand, with one-third of the members unemployed on the average this past year. Its western council represents a total of 25,000 woodworkers in eight states.

Pension fund loans explored to revive faltering industries

Montreal—The use of pension funds by unions to assist ailing industries that employ their members was advocated by Sec.-Treas. Jacob Sheinkman of the Clothing & Textile Workers. Sheinkman called this a "logical next step" in the labor movement's evolving role in pension fund management.

Speaking before a meeting of the International Foundation of Employee Benefit Plans, Sheinkman observed that such investments would require federal legislation to provide guarantees by an appropriate agency of the government.

"Such loans," he said, would "then be prudent under the standards of the Employee Retirement Income Security Act (ERISA) and the welfare of the pension fund beneficiaries could not be jeopardized.

Sheinkman, who chaired a study on pension fund investments for the AFL-CIO Industrial Union Dept., pointed out that the United States has, at various times, determined that the health of an industry or industries justified the use of federal guarantees or insurance.

"The housing industry still benefits from the Federal Housing Administration insurance of mortgage loans, and a significant amount of American industry has for many years received direct or indirect assistance from federal and state governments designed to assure its survival and ability to compete," he said.

He said legislation providing for loan guarantees should establish a federal agency like the Federal Housing Administration to determine which employers merit this type of financing. The enabling legislation should also amend ERISA to authorize the Labor Dept. to simplify exemptions for loans to employers that qualify for the federal agency guarantee.

AFL-CIO issues guide on student aid

The AFL-CIO Dept. of Education has published its 1983 Guide to Union-Sponsored Scholarships, Awards and Student Financial Aid to help union members and their families find ways to cover the costs of college and other post-secondary education.

Education Director Dorothy Shields said the guide may be especially valuable now in "the first full school year the Reagan Administration budegt cuts and tighter eligibility restrictions have been in effect, cutting every major federal aid program for college students."

Nearly 2,000 scholarships totalling more than $2,225,000 are listed, Shields said. Financial aid programs listed cover college and graduate schools as well as vocational, technical and nursing schools.

The scholarships are offered by AFL-CIO national and international unions, local unions and AFL-CIO state and local central labor bodies. An additional section in the guide provides other sources of information on how to pay for college.

Copies are being mailed to national and international unions and central labor bodies, and single copies are free to union members. Libraries and other institutions can get copies for $3 each from the AFL-CIO Dept. of Education, 815 Sixteenth St., N.W., Washington, D.C. 20006.

NFL players postpone vote on settlement

A dispute over contract language held up a vote by members of the National Football League Players Association on a five-year contract that includes higher salary minimums, establishment of a severance pay system and $60 million in bonuses this year.

While negotiators and lawyers for both sides went over the contract clause by clause, the 28 NFL teams returned to action, resuming a season that was two games old when the 57-day strike began.

Vote options

The union's executive director, Ed Garvey, said the ratification vote is now scheduled for Dec. 3, and will allow the 1,500 union members three options.

They can vote to accept the contract, to reject the contract and resume the strike, or to reject the contract without resumption of the strike.

Garvey told reporters that he did not expect the strike to be resumed. The union's goal in the careful scrutiny of each contract clause, he said, has been to assure that the NFL club owners "do not win anything in drafting that they did not win at the bargaining table."

Player representatives—elected by each of the teams in the league—have been meeting frequently on the contract issues and keeping their teammates up to date on the situation.

They are scheduled to consider the final contract language on Nov. 30 and vote on a recommendation to the players.

While there has been agreement between the two sides on the bulk of the contract language, some thorny issues had still not been resolved as the AFL-CIO News went to press.

Hearing reset

Further action on unfair labor practice charges against the owners awaited final agreement on the contract language, the union said. A hearing before a National Labor Relations Board administrative law judge, originally set for Nov. 29 in New York, was postponed a week.

The NLRB general counsel earlier issued a formal complaint backing up the union's charges that the club owners violated federal labor law by refusing to provide the NFLPA with information essential to bargaining, changing working conditions unilaterally, coercing players and attempting to bypass the union by dealing directly with the players.

Despite the continuing contract disagreement, the resumption of league play on Nov. 21 appeared little affected by the long layoff. Attendance in some parks was less than usual but television audiences generally were higher.

Tribute to a labor martyr

Members of a joint mission of the International Confederation of Free Trade Unions and the Inter-American Regional Organization of Workers (ORIT) looking into the trade-union situation in Central America attended a wreath-laying ceremony honoring slain Nicaraguan labor leader Luis Medrano in Managua. Medrano was murdered by Somozan forces in 1979. The ICFTU-ORIT mission visited El Salvador and Costa Rica as well as Nicaragua. Representing the AFL-CIO were Federation Vice President Frank Drozak, head of the Seafarers, and William C. Doherty, Jr., executive director of the American Institute for Free Labor Development. Other members of the mission were from Canada, Italy, Costa Rica, and Nicaragua.

South Carolina unions press recovery from Reaganomics

Myrtle Beach, S.C.—Fresh on the heels of an impressive string of gains in the Nov. 2 elections, delegates to the South Carolina AFL-CIO convention drafted an agenda to sustain the drive to cure the "economic illness of Reaganomics."

President Randy Kiser cited the near-sweep of COPE-endorsed candidates in congressional and general assembly contests as a "clear call for lower interest rates, realistic job creation, bolstering the social security system and updating the state's unemployment compensation protections."

He termed the essential social programs "the last line of hope for thousands of South Carolina families hit by the worst unemployment since depression days."

High victory rate

Kiser noted that 19 of 22 labor-endorsed candidates for the state legislature were elected, as were three of the five endorsed congressional candidates.

AFL-CIO Regional Director James Sala urged the 300 delegates to keep the momentum of Nov. 2 running in both the state house in Columbia and in Congress. "Stay after these people you elected. . . . Show them you're ready to work with them and that you expect them to stay with you—and with the working people of America," Sala urged.

Congressman-elect Robin Tallon thanked the convention delegates for "the tremendous effort of the South Carolina AFL-CIO and union volunteers" that was a key factor in his upset win over incumbent Republican John Napier. Tallon said he expects to work closely with state and national union leaders, especially in areas and issues that affect working families.

Priorities outlined

House of Delegates Speaker Raymond Swartz (D) and State Rep. McKinley Washington (D) told the convention that the upcoming General Assembly session "has to face up to the reality that South Carolina is no longer insulated from the sickness in the national economy." Statewide unemployment now stands at 10.7 percent. They put high priority on jobs and job training, human services, workplace safety, job security, workers' compensation and "other solid investments in the human potential of South Carolina."

The delegates adopted a series of policy resolutions on state and national issues. These included support for amendments to ease the state's Sunday business laws, opposition to the business community's attack on the state's workers' compensation system, support for the elimination of the waiting period for unemployment benefits, rejection of attempts to "cripple" the public school system with such schemes as tuition tax credits, and support for the Coastline Disaster Project, a joint venture of the AFL-CIO and the American Red Cross.

Workshop sessions

Also highlighting the convention were workshops on national legislative issues conducted by Assistant Director Jacqueline Kienzle of the AFL-CIO Dept. of Education, and on trends in arbitration law, conducted by State AFL-CIO counsel James Bell.

Among other major convention speakers were Bruce Thrasher, director of Steelworkers District 35; Vice President Nick Bonanno of the Ladies' Garment Workers; Paul Ornburn of the AFL-CIO Union Label & Service Trades Dept.; COPE VIP Director Fannie Neal; E. T. Kehrer, southern area director of the AFL-CIO Dept. of Civil Rights; George Kiser of the AFL-CIO Dept. of Organization & Field Services, and State Labor Commissioner Ed McGowan.

Building trades, contractors map promotion effort

A national agreement to promote union construction and make it more competitive has been signed by the AFL-CIO Building & Construction Trades Dept. and the National Construction Employers Council.

The terms of the "Market Recovery Program for Union Construction" call for establishment of local joint labor management committees to increase cooperation between local unions and contractors to "build on mutual interests" and increase the share of union construction.

The agreement was signed by BCTD President Robert A. Georgine and NCEC President James R. Baxter.

In a joint statement, Georgine and Baxter said the success of the agreement depends on the ability of local unions and employers to set up "realistic" programs.

National organizations can plan, endorse and promote the plan, the statement said, but "local acceptance and wholehearted support are absolutely necessary."

Program review

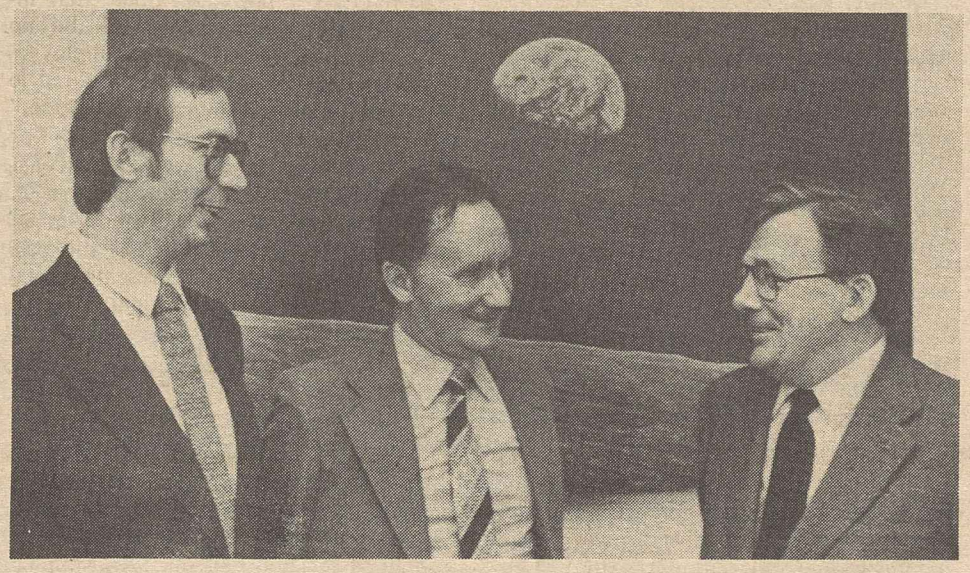
Representatives of each building trades craft and of the contractors will meet in mid-December in Washington to review existing construction promotion programs and discuss start-up of the local committee efforts.

Under the terms of the agreement, the local committees will work under principles that stress the availability of highly skilled craftsmen, the importance of mutual efforts to improve productivity, the value of increased competitiveness in bringing in more jobs, elimination of non-essential work rules, the use of up-to-date tools and equipment and the need to let the public, and users of construction, know that union labor and management are working on improved productivity.

Priorities for the local committees will include developing "an atmosphere of cooperation and trust" in the industry, an emphasis on pride in workmanship and written objectives and timetables.

The agreement suggests that local committees set up task forces to study the open shop problem, non-productive work practices or rules, the local employment picture, the collective bargaining process and the need for a public relations campaign to promote union construction.

The task force reports can then become the basis for taking specific actions, the agreement suggests.



Visiting editors

German labor editors visiting the United States under the auspices of the John J. McCloy Fellowship meet with AFL-CIO President Lane Kirkland. They are, left, Hermann A. Grontzki, editor of Angestellten Magazin, published by the Deutsche Gewerkschaftsbund for white-collar workers, and Heinz Esslinger, editor of the Gewerkschaftspost of the German Chemical, Paper & Ceramic Workers. The fellowships, an exchange program for U.S. and German trade unionists, were established by a gift from the German government.

Food unions demand probe of grain blasts

The AFL-CIO Food & Beverage Trades Dept. has called for an immediate federal investigation to determine the cause of a Nov. 16 grain elevator explosion at Raymond, Neb., that killed four workers and critically injured three others.

FBTD President Robert F. Harbrant said that neither the Dept. of Agriculture nor the Occupational Safety & Health Administration has conducted an on-site investigation into the cause of grain elevator explosions that have occurred during the past two years, even though Congress appropriated funds in the last fiscal year specifically for this purpose.

According to an FBTD study, 18 workers died and 110 were injured in 31 grain industry explosions in 1981 and 1982.

Because OSHA has yet to develop a grain dust standard to eliminate grain industry hazards, Harbrant observed, inspectors can only look for violations of routine regulations under the general duty clause of the federal job safety law.

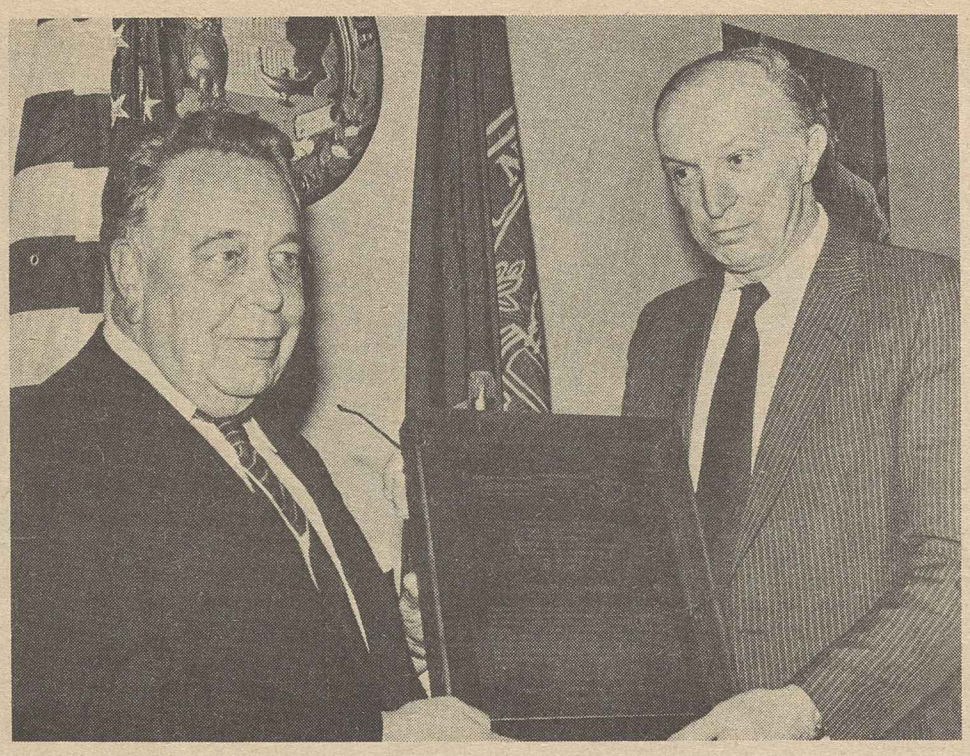
Causes undetermined

For this reason, he said, the direct causes of grain explosions are not determined.

"The only means of preventing these explosions is to determine their cause," Harbrant stressed.

The AFL-CIO and several unions, including the Grain Millers and Government Employees, have been pressing OSHA to develop an effective grain dust standard.

In congressional hearings earlier this year, union witnesses urged the government to heed the recommendations of a National Academy of Sciences task force that stressed urgency in the development of a standard. The NAS study found that techniques are readily available and economically feasible to prevent grain elevator explosions.



For distinguished service

Economist Leon Keyserling, whose public service dates to the New Deal era, was honored at a trade union celebration of the 100th birthday anniversary of Fiorello LaGuardia, New York's famed mayor and Norris-LaGuardia Act sponsor. AFL-CIO Sec.-Treas. Thomas R. Donahue presented a plaque.

Government workers protest federal union-busting tactics

An effort to strip 4,000 employees of the Environmental Protection Agency of union representation and an attempt to fire the president of a union local at the National Archives were linked by the American Federation of Government Employees to the Reagan Administration's anti-union tilt.

The decertification bid by the EPA was thwarted by the Federal Labor Relations Authority, whose New York regional office dismissed management charges against the AFGE as "without merit."

AFGE Executive Vice President John N. Sturdivant said he was "baffled" by the heavy-handed attempt by the Environmental Protection Agency to get the union decertified. He termed "absurd and completely unfounded" the agency's charge that an item in a newsletter put out by AFGE's council of EPA locals amounted to condoning a job action against the government. The newsletter item for which the agency wanted the AFGE decertified indicated that workers had the right to a union representative's presence during an evaluation of their work performance.

Sturdivant termed the episode part of "a pattern of harassment around the country."

The National Archives episode which led to a protest rally by Washington area AFGE locals on the steps of the archives building, stemmed from a bargaining table argument in which some hot words were exchanged and tempers frayed.

The dispute was over what the union viewed as management's attempt to narrow the scope of a "maxiflex" working time agreement it had negotiated.

Management's response to the episode was to attempt to fire Carmen Delle Donne, president of AFGE Local 2578 and its chief negotiator. He is accused of disorderly conduct, the union said. A management claim of destruction of government property apparently stems from the fact that a plastic "in-box" was broken when Delle Donne knocked it off a desk in the heat of argument.

Management reprisals

The union has taken the case to expedited arbitration, and AFGE Vice President Donald MacIntyre, who heads the Washington area region, said there has been an "epidemic of anti-union reprisals" by agency managements. He said a panel of local AFGE officials is preparing a document on "union-ubsting actions."

Speakers at the rally cited the Administration's destruction of PATCO, the union of the air traffic controllers, and the government workers responded with a chant, "No more PATCOs."

SEIU gains 'partial victory' on social security pullouts

The Service Employees won what President John J. Sweeney termed "a partial victory" in the union's effort to compel the Internal Revenue Service to provide a list of non-profit hospitals that have filed a notice of intent to withdraw from the social security system.

Social security coverage is optional for non-profit institutions, although compulsory for other employers. But once coverage is chosen, a non-profit employer must retain coverage at least eight years and then must file a two-year advance notice of intent to withdraw from coverage. But it is not required to inform employees when it files the notice.

The SEIU found out from the Social Security Administration that 930 non-profit employers, with an estimated 375,000 workers, have filed withdrawal notices over the past two years. But the IRS wouldn't tell the union who they were.

After the SEIU filed a Freedom of Information Act suit in federal court, the IRS said it would tell an individual employee on request whether his or her employer had filed a notice of intent to withdraw from social security. But it contended that the union, as a "third party," had no right to the information.

U.S. District Judge Norma Johnson disagreed—in part. She said that if the SEIU or any other employee organization submitted a list of institutions where it represents workers, the IRS would be obligated to reveal which employers on the list had withdrawn applications pending.

Sweeney said the union is considering whether to appeal the denial of information about non-organized institutions.

Meanwhile, he said the SEIU will press for congressional action to "freeze" all social security withdrawals, pending congressional action on the recommendations of the National Commission on Social Security Reform, due in December.

Bargaining order pressed

The SEIU also has been seeking National Labor Relations Board and court action to compel institutions with collective bargaining relationships to bargain over the issue of social security coverage rather than proceed unilaterally.

District 1199, the health care division of the Retail, Wholesale & Dept. Store Union, joined the SEIU in its motion for summary judgment in the Freedom of Information Act suit. It also represents a large group of health care workers whose social security coverage is threatened.

Hospitals and nursing homes seeking to cut costs have been looking at the potential savings from elimination of the social security tax they pay on the wages of their employees, with possible substitution of a lower-cost private pension system that would provide less protection for workers than social security.

William Baldwin dies, former AFTRA leader

Los Angeles—William Baldwin, president of the Television & Radio Artists during the early 1970s, died of cancer Nov. 17. He was 69.

Baldwin was a three-term president of AFTRA in the period 1970-73. He was a long-time member of the union's board of directors and also served it as a vice president. His career in radio, films and television spanned more than 35 years as an actor, narrator, announcer and sportscaster.

Survivors include his wife Enid, a son and a daughter.

Sioux Falls association affiliates with AFSCME

Sioux Falls, S.D. — The 340-member Municipal Employees Association here voted to affiliate with the State, County & Municipal Employees.

The group, which bargains for nonuniformed Sioux Falls city workers, will be chartered as a local of AFSCME Council 59, which represents 1,800 state and local government employees in South Dakota.

Jobless rates in 49 states up over year

Unemployment rates increased in all states except Alaska between September 1981 and September 1982, the Bureau of Labor Statistics reported.

In 17 states and the District of Columbia, jobless rates soared above 10 percent. The rates are not seasonally adjusted for labor force fluctuations.

Over the 12-month period, the unadjusted national jobless rate rose 2.4 percentage points, from 7.3 to 9.7 percent, BLS said. On a seasonally adjusted basis, national unemployment increased from 10.1 percent in September to 10.4 percent in October.

Michigan continued to have the highest jobless rate, 14.5 percent, followed by Alabama, 14.3 percent, and West Virginia, 14 percent. At the other end of the spectrum, six states—North and South Dakota, Wyoming, Nebraska, Vermont, and Oklahoma—reported rates of less than 6 percent.

Even among the states with relatively low jobless rates, however, September levels were generally 1 to 2 percentage points higher than a year earlier, BLS said.

"The largest over-the-year increase occurred in West Virginia—5.6 percentage points—as employment declined in all industry divisions, especially in mining, construction, and manufacturing," the report said.

Double-digit areas

Jurisdictions with jobless rates of 10 percent or more in September were Alabama, 14.3 percent; Arizona, 10.7 percent; District of Columbia, 10.7 percent; Illinois, 12.1 percent; Indiana, 11.4 percent; Kentucky, 10.6 percent; Louisiana, 10.6 percent; Michigan, 14.5 percent; Mississippi, 12.2 percent; Nevada, 10.4 percent; Ohio, 12.3 percent; Oregon, 10 percent; Pennsylvania, 10.9 percent; South Carolina, 10.7 percent; Tennessee, 11.4 percent; Washington, 10.9 percent; West Virginia, 14 percent, and Wisconsin, 10.2 percent.

Among the 215 metropolitan areas for which September 1982 data were available, 92 had jobless rates that equaled or exceeded the national average. The highest rates were recorded for the Youngstown-Warren area in Ohio, 18.7 percent, and Duluth-Superior, Minn., 18.6 percent.

Economy shows zero growth rate for third quarter

Continued from Page 1

Real GNP is the value of the nation's total output of goods and services adjusted for the impact of inflation. Initially, the government estimated that real third-quarter GNP had risen by eight-tenths of 1 percent. The revised estimate put the growth rate for the quarter at zero. The economy grew at an annual rate of 2.1 percent in the second quarter, after declining 5.1 percent in the first three months of 1982 and 5.3 percent in the final quarter of 1981.

Commerce Under Sec. Robert Dederick told a news conference that net exports "dropped very sharply—$10 billion," and said "that was the big drag on the quarter."

"The fourth quarter will be up only modestly at best, which means it could be down," he said. Dederick predicted that growth in the first half of 1983 would be "relatively subdued by past post-recession standards, but the second half will be somewhat closer to the norm."

Real gross national product—in 1972 inflation-adjusted dollars—was at an annualized level of $1.478 trillion in the third quarter, the same as in the second quarter after adjustment for routine seasonal trends, the Commerce Dept. said in its report.

Steel policy body rejects concessions

Pittsburgh—The Steelworkers' main bargaining policy body, the 600-member Basic Steel Industry Conference, voted down a proposed new 45-month agreement that would have cut wages and benefits of workers at eight major steel firms by about 10 percent.

The conference voted 231 to 141 to reject the tentative settlement approved by the union's 30-member executive board. The bargaining policy body consists of the union's local and district leaders.

Rejection of the proposed pact leaves the current agreements with the industry in effect until the July 31, 1983, expiration date. USWA President Lloyd McBride expressed disappointment at the vote and said it would be futile to attempt further negotiations until May, when regular bargaining is slated to begin on a new contract.

It was the second time this year that efforts to reach an early agreement with the industry ended in failure. In July, however, the union leadership had recommended rejection of an industry offer that would have frozen pay.

Immediate pay cuts

Terms of the latest proposal to be turned down called for an immediate pay cut of $2.25 an hour. Of that amount, 75 cents would have been diverted to help fund benefits for laid-off workers. The remaining $1.50 would have been restored to workers in 50-cent increments in August 1983, August 1984, and August 1985.

The rejected agreement also would have tied future cost-of-living increases to restored profitability among the steel makers, struggling through their worst slump in decades. The pact, which would have affected some 270,000 workers, would also have eliminated the industry's extended vacation plan which gives senior employees a 13-week vacation and junior employees an extra five weeks of vacation every five years.

It would also have eliminated one paid holiday, reduced Sunday overtime from time and a half to time and a quarter, and eliminated non-steel making operations from contract coverage.

Company guarantees

In return, the companies would have guaranteed payment of supplemental unemployment benefits to all workers with at least five years of seniority for the next year, regardless of the condition of the industry's SUB funds. Benefits would have ranged from $100 to $200 a week, depending on seniority.

The industry, which is operating at about 40 percent of capacity, had sought concessions from the workers to help cope with severe financial problems. McBride told the conference that two of the steel companies have severe cash-flow problems, and might not be able to continue operations.

The eight firms covered by the bargaining—U.S. Steel, Bethlehem Steel, Jones & Laughlin, Republic, National, Inland, Armco, and Allegheny-Ludlum—negotiate as a unit.

New York demonstrators led by Service Employees President John Sweeney, center, protest Equitable Life Assurance Society's refusal to bargain with claims processing workers in Syracuse.

SEIU demonstrators protest Equitable's anti-union policy

New York—More than 1,000 marchers joined a demonstration organized by the Service Employees outside the headquarters of the Equitable Life Assurance Society here to protest the company's refusal to bargain with the union and its discrimination against women in setting rates for some insurance policies.

Marches were also held at Equitable offices in 40 other cities by SEIU's office workers' division, District 925, to dramatize the company's refusal to bargain for a first contract with claims processors in its Syracuse, N.Y., group benefits office. SEIU won an election there early in 1982, overcoming the company's anti-union campaign abetted by a union-busting consultant.

Rate policy protested

Leaflets distributed by the protestors also denounced the insurance industry's practice of setting higher rates for women for health, disability, pension and other coverage.

SEIU President John J. Sweeney said the company "has long postured as a caring, people-oriented, organization, a leader in corporate social responsibility and a friend of women and minorities."

But Equitable is being "particularly hypocritical," Sweeney charged, in its treatment of the workers in Syracuse "who are symbolic of the vast majority of women employed in traditional women's jobs by the company."

Sweeney said the union has also asked the company to sign a "non-discrimination agreement" which calls for Equitable to remain neutral in representation elections, stop hiring union-busting consultants, reexamine its policies toward women employees, recognize and bargain with unions certified by the National Labor Relations Board, and drop any rate schedules that discriminate against women.

The Syracuse claims processors, who earn an average of $4.50 an hour, contacted District 925 during the summer of 1981.

The union won an election last February and was certified as bargaining agent by the NLRB in June after the company's objections were set aside.

Issues in the organizing campaign were low pay, lack of respect from management, arbitrary job classifications and safety and health concerns over the introduction of video display terminals.

Company threats

The Equitable, the nation's third largest insurance company, brought in an outside consultant, subjected the workers to daily meetings, sent letters to their homes and threatened that the office would be closed before the representation election, the SEIU said.

The company has refused to come to the bargaining table even though an NLRB summary judgment issued Oct. 29 denied again all the company's objections and reconfirmed District 925 as bargaining agent, the union asserted.

Labor opposes Reagan's latest choice for NLRB

Continued from Page 1

His nomination was blocked when he could not get a majority in the Senate Labor Committee to send it to the floor, but he has held office since August 1981 under a series of recess appointments made by President Reagan when Congress was not in session.

Another Reagan appointee, Robert P. Hunter, was confirmed by the Senate.

In testimony at Senate hearings last year, AFL-CIO Sec.-Treas. Thomas R. Donahue said the federation opposes the appointment of "active partisans" of either labor or management to the NLRB.

Dotson served early in his career as an NLRB attorney. But from 1973 until he joined the Reagan Administration in 1981, Dotson was a labor relations attorney for Westinghouse, Western Electric and, most recently, Wheeling-Pittsburgh Steel Corp. He is currently assistant secretary of labor for labor-management relations. His executive assistant is a former attorney for the National Right to Work Committee.

Lucy warns WDL on perils of wayward Reagan 'course'

New York—Sec.-Treas. William Lucy of the State, County & Municipal Employees told more than 600 labor and liberal leaders at a Workers Defense League dinner in his honor that the nation cannot "stay the course" set by President Reagan because his course means "going full speed backwards on a ship with no rudder" under "a captain with no compass."

The league honored Lucy with its 1982 David L. Clendenin Award for Distinguished Service to Labor's Rights. The award was presented by the 1981 recipient, President John J. Sweeney of the Service Employees.

Lucy responded with praise of the WDL for its long record of fighting for the rights of defenseless workers and its legal battles in support of organization, especially in the South.

He pointed out that the league's Recruitment & Training Program (RTP) had helped more than 30,000 young minority workers learn marketable skills and that the WDL had fought for fairness in the military justice system and provided counseling for victims of workplace discrimination.

Lucy urged wide support of a WDL campaign opposing the Reagan Administration's activities in behalf of an International Monetary Fund loan to the apartheid regime of South Africa.

AFSCME President Gerald W. McEntee praised Lucy as "a man with an uncommon degree of honor and decency, one hell of a great trade unionist and a man of conviction and courage who was always willing to take a difficult stand and make a tough fight when it became necessary."

Sol C. Chaikin, president of the Ladies' Garment Workers and chairman of the dinner, praised the league for its struggle against slave labor "everywhere in the world" and for its continuing campaigns for workers' rights. He called the award to Lucy particularly appropriate in recognition of his efforts in these areas.

Letter to Reagan

Lucy recalled that he and McEntee had been among 170 labor and civic leaders who had signed an open letter sent to President Reagan late in 1981 by the WDL detailing instances of peonage among migrant and undocumented workers in the United States.

The Reagan Administration did not respond, he said, except to object when the league some months later presented its evidence to a United Nations working group on slavery.

Other speakers at the dinner included WDL President Rowland Watts and Executive Sec. Philip Van Buren; Harry Fleischman, chairman of the WDL executive committee, and Bettye Roberts, president of AFSCME District Council 1707, New York City.

High-tech organizing

The AFL-CIO Industrial Union Dept. is testing the use of video as an organizing tool and is showing specially produced films in the homes of workers as well as at union meetings.

IUD President Howard D. Samuel said a prototype 10-minute film, Something Called Dignity, has been developed for use in southern organizing campaigns. It features testimony by workers to the value of unions and refutes arguments used by management and union-busting consultants. It was produced with technical assistance from the National Football League Players Association.

Organizers making house calls are able to show the film on briefcase-sized portable projectors or through hookups with television sets.

The department's future plans, Samuel said, include even more localized films, developed for specific organizing campaigns. The IUD has purchased video production equipment with these goals in mind, he said.

Medicare: prescription or problem?

By Karen Ignagni

This article appeared originally in the issues book for the seventh annual Leadership Conference on Health Policy sponsored by the National Journal. The author, Karen Ignagni, is an assistant director of the AFL-CIO Dept. of Social Security.

Late last year Louis Harris & Associates conducted a survey for the National Council on Aging. When senior citizens were asked to name the greatest problems facing the elderly today, 42 percent of the respondents cited health care and its costs. By contrast, only 24 percent named inflation and the high cost of living and only 7 percent mentioned crime.

Clearly the cost of getting sick and the expense of staying well are very much on the minds of our elderly citizens. And this concern is not unwarranted. Elderly people are highly susceptible to chronic conditions such as diabetes, respiratory ailments, heart disease and arthritis. Although the life expectancy of those aged 65 and older has increased in recent years, their health status is not a great deal better than it once was. Despite the sizable financial investment that we have made in the Medicare program, many senior citizens remain unable to afford essential medical treatment.

Protection against cuts

In July of 1965 Congress enacted the Medicare law, Title XVIII of the Social Security Act, to protect the elderly and their families against the high cost of getting sick. At that time an older person's access to health care services was largely dependent on his or her ability to pay, and many believed that the elderly's problems with the medical care system could be solved by removing this financial barrier.

Prior to the passage of Medicare, the elderly were spending approximately 20 percent of their income for health care costs. This burden eased slightly during the early '70s, according to the Dept. of Health & Human Services' Health Care Financing Administration (HCFA), but in recent years has been approaching pre-Medicare levels. Nevertheless, the program's share of total personal health care expenditures for persons aged 65 and over has been steadily increasing and now covers 45 percent of their total health care costs. Since the elderly themselves are not much better off today than they were before the passage of Medicare, it seems appropriate for Congress and the public at large to consider whom, if not the elderly, the program is benefiting and what can be done to make it more responsive to the health care needs of those it was designed to serve.

Medicare shortfall

Most citizens under age 65 believe Medicare will fulfill their health care needs upon retirement. Some even consider Medicare a welfare program for older Americans. Neither view is accurate. Until they reach retirement age most workers receive health care coverage through their employers. Some plans include comprehensive hospital care and major medical insurance. When they leave the workforce, and as they get older and more susceptible to illness, workers find that Medicare falls far short of meeting their health care needs.

Medicare requires a sizable amount of patient cost-sharing, provides no protection against catastrophic illness, and does not cover the services that the elderly most frequently need—preventive services and long-term care, prescription drugs, foot care, dental care and eyeglasses. Under Medicare the sicker you are, the more you pay. Unless they are eligible for Medicaid, many retirees choose to go without essential health care services because they cannot afford the high cost of treatment.

Program goals

The roots of our present problem can be found in the 1965 congressional debate on Medicare. Despite the public emphasis that was given to the prospect of medical costs overwhelming the aged, Congress had another goal in mind in designing the program—that Medicare not interfere with the way the health care system was organized or the way medical services were provided or paid for. Although Congress was willing to make health care more affordable to the aged, it was unwilling to rock the boat where the providers were concerned.

As a result, an important opportunity was missed to use the purchasing power that the government gained through the Medicare program as a lever to improve access to health care services for citizens in underserved areas, to control inflation in the program or to improve the quality of care that beneficiaries were to receive. Ultimately, as a result of the many compromises necessary to get it passed in both Houses of Congress, the program became nothing more than a bill-paying mechanism divided into two parts, which were modeled on existing Blue Cross and private health insurance programs.

The Hospital Insurance Program, Part A of Medicare, is available to persons aged 65 and older eligible for social security cash benefits or railroad retirement benefits; the severely disabled after a lengthy waiting period; victims of end-stage renal disease; and those 65 or over who do not meet these qualifications but pay a monthly premium, which now amounts to $78. Approximately 90 percent of those enrolled in Part A are aged 65 and over. HI is financed by employer and employee payroll taxes. Unlike Medicaid, there is no "means test" to qualify for this program. As long as individuals fulfill the requirements described above, they are eligible for benefits.

Paying deductibles

But the program stops far short of protecting the elderly against the rising cost of inpatient care. Hospital coverage is limited to 90 days per spell of illness. Beneficiaries must pay a $260 hospital deductible (up from $40 when the program began) and $65 per day for the 61st through 90th day of inpatient services. Patients who use the full 90 days of coverage and have no other insurance are presented with a $2,210 hospital bill upon discharge, although they exert little influence over the length of their stay.

As for long-term care, which is one of the most crucial needs of elderly patients, the Medicare program covers only 100 days of skilled care in nursing home facilities per spell of illness. Patients face no cost-sharing obligations in the first 20 days. Thereafter, up to the 100th day maximum, they must pay approximately $35 per day. In addition, Medicare patients who are not Medicaid eligible are sometimes turned away by nursing home administrators who fear the cost of their treatment will be disallowed because it falls short of the law's definition of skilled care.

Limited eligibility

Similarly, in the area of home care, only beneficiaries who are in need of skilled nursing care and home-bound are eligible. Medicare does not cover the elderly who need custodial care, such as assistance with meal preparation or light household chores. Thus, many older Americans who could remain at home frequently end up in nursing facilities, simply because they have no one to tend to their basic needs. Medicare's benefit structure encourages expensive inpatient care because more cost-effective services are not covered.

Nowhere are the structural defects in the Medicare legislation more apparent than in the Supplementary Medical Insurance program. Part B is financed through beneficiary premiums and general revenue contributions. Enrollment is voluntary and open to all seniors and the severely disabled who pay a monthly premium of $12.20 (up from $3 in 1966). To qualify for benefits, enrollees must meet a $60 annual deductible. Unlike reimbursement for inpatient services, where the federal government pays the hospital directly and prevents facilities from billing the patients more, physicians are paid 80 percent of their reasonable and customary charges and have the option of accepting the government rate as payment in full (assignment) or charging patients standard fees.

The structure of the system creates two strong financial incentives. Physicians raise their charges regularly to increase the level that is considered "reasonable and customary" and bill the patient for charges the government does not reimburse. The number of physicians accepting assignment has been declining steadily. Currently fewer than 50 percent of physicians accept Medicare reimbursements as payment in full. This rate is much lower in states like Florida and Arizona, with high concentrations of elderly citizens. Due to the structure of the Part B payment system, Medicare covers only 55 percent of total physician expenditures incurred by the aged and disabled. Most elderly citizens cannot afford the co-insurance required for physician services. Some are even postponing treatment until it warrants hospital care, which is more expensive for the program but may be cheaper for the beneficiary.

Supplemental insurance

It is clear that Medicare has failed to fulfill its original mandate to break the traditional barrier between access to services and ability to pay. As a result, elderly people have been forced in increasing numbers to buy private health insurance to supplement their Medicare coverage. Those who cannot afford this additional insurance often go without hospital and physician services, and both groups find it very difficult to meet the expenses of the many services not covered by Medicare or private insurance. In an effort to meet this gap, according to HCFA, approximately 64 percent of the aged bought private hospital insurance and 43 percent bought surgical insurance in 1979. On the average, the elderly paid $350 per year for private coverage. It is estimated that 9 million of the poorest elderly had no private hospital insurance and 14 million had no private surgical insurance.

The Medicare program has many weaknesses. Nevertheless, it is big business for the federal government. Nearly 29 million people are enrolled and 17 million use services annually. In fiscal year 1980, expenditures for this program amounted to $36.7 billion, up from $4.5 billion in 1967. From FY 1979 to 1980, Medicare expenditures increased 21.4 percent (compared to a 15.2 percent increase in total personal health care spending) and claimed a 41.2 percent share of public funds spent on personal health care. If current trends continue, the program is expected to cost up to $50 billion by the end of this year and, according to OMB, could amount to 80 percent of all federal health care outlays by the middle of the decade.

Hospitalization favored

There would be fewer questions about the worth of such a sizable federal investment if it were adequately meeting the needs of its beneficiaries. In reality, however, Medicare expenditures are skewed towards hospital care. Almost three-quarters of program funds are spent on inpatients services for one-third of the beneficiaries who are hospitalized annually.

Ironically, HHS trend data show that in recent years Medicare's share of total health expenditures for the 65-and-over population has increased. The department has determined that almost two-thirds of the rise in Medicare expenditures since the beginning of the program is due to inflation directly attributable to the structure of the Medicare reimbursement system.

Medicare pays hospital costs after they are incurred and, with the exception of some prospective limitations on routine services, the federal government exerts virtually no control over the program's annual payments to hospitals.

Subsidizing waste

The unwillingness of Congress to make Medicare anything more than an open-ended public insurance program has fueled hospital capital expansion and price inflation. Until the current method of reimbursement is changed, taxpayers will continue to subsidize waste and inefficiency in this program and seniors will be no better off as a result of it.

Many proposals have been advanced to solve the "Medicare problem." Unfortunately, most of the recent suggestions would reduce short-term federal expenditures by either increasing beneficiary cost-sharing or further restricting their financial access to treatment.

For example, in its original version of the first concurrent budget resolution for FY 1983, the Senate Budget Committee recommended that patients be required to pay 6 percent of their per diem costs from the 2nd to the 60th day in the hospital—care that is now fully reimbursed. Under this proposal an elderly person who enters the hospital with a chronic condition would be responsible for the deductible plus $25 for each day of treatment. These payments could eat up one month's benefits for the average social security beneficiary. The Budget Committee also recommended making Medicare the secondary payor for individuals over age 65 who remain in the workforce, increasing the Part B deductible and requiring that beneficiaries pay for part of the cost of their home health care.

In addition, Congress has extended controls on reimbursement of routine hospital costs to ancillary services. These limits will reduce short-term federal expenditures for Medicare, but could create strong incentives for hospitals to turn away beneficiaries who are in need of non-emergency treatment, or shift their costs on to already overburdened employee health insurance plans and state and local governments. Extending the limits would do nothing to control overall hospital inflation. It would also exacerbate the current tendency to shift beneficiaries of government health care programs to public hospitals, which have become the providers of last resort for many old and indigent citizens.

No cost curbs

Congress could circumvent these problems, reduce Medicare inflation and slow the rate of growth in all health care programs by enacting a viable comprehensive cost containment program. Unfortunately, it is unlikely that Congress will select this alternative. Instead it will probably enact further cuts in entitlement programs that penalize beneficiaries for the inefficiencies that are indigenous to the structure of the system.

In fact, the Administration is expected to propose that Congress enact a Medicare voucher plan. Beneficiaries would be given a federal voucher that is equivalent to the per capita cash value of Medicare and told to shop around for health insurance coverage. If they chose a plan that costs less than Medicare, they would be allowed to keep the difference. This would be very attractive to someone on a fixed income. However, less insurance for older Americans will mean earlier death for some and unnecessary suffering for many because they will be unable to afford doctors' visits no longer covered by insurance.

Congress should be considering alternatives to cover all the services the elderly and severely disabled need, making sure they can afford to pay for them and eliminating the red tape associated with the program.

Access still lacking

The problem with Medicare goes far beyond the issue of cost control. Seventeen years after the enactment of Medicare, senior citizens still do not have access to services that the program was designed to provide.

In the long run, the best solution to this problem is the one that organized labor has been advocating for many years: that is, for Congress to enact a universal, comprehensive national health insurance program that reforms the current method of reimbursing hospitals and providers, removes the barrier of beneficiary cost-sharing, provides protection against the cost of catastrophic illness, offers comprehensive benefits, including preventive services, drugs and home care, and encourages the development of HMOs as alternative delivery systems.

Unless Congress is willing to enact reforms along these lines, Medicare expenditures will continue to increase and account for an even greater share of the federal budget, and health care costs will be out of reach for more and more Americans.

EDITORIALS

Cracked Crystal Balls

MANY YEARS AGO, George Meany suggested that economics was one of the few areas of endeavor where a person could achieve a great reputation without ever being right.

During this year of the Reagan Recession, many economists have been wrong, dangerously wrong, because they have misled the American people into thinking that the contradictory Administration policies would somehow correct themselves and bring the country into a new era of prosperity.

Instead, as every working American knows, the country is in a serious recession which has yet to touch bottom; recovery remains a figment in the minds of only the most optimistic Reagan cheerleaders.

This one fact stands out: there are today more individuals out of work than at any time in our history. At the depth of the Depression in 1933, the jobless toll stood at 12.8 million. Now, by official government count, there are 13.8 million unemployed, including 1.6 million who have given up the hopeless search for jobs.

Still, there are economists like those at the U.S. Chamber of Commerce who continue to sugar-coat the ugly facts. The Chamber says that the current recession falls "somewhere in the middle of terms of severity" for the postwar period.

On that basis, the Chamber draws the conclusion that it would be a "mistake" for Congress to enact an emergency jobs program. "Adequate programs now exist to help those temporarily unemployed," the Chamber concludes.

WE TRUST THAT members of Congress will look back just a year to see the earlier, equally sanguine, equally wrong conclusions of the business lobby. In October 1981, Dr. Richard W. Rahn, the Chamber's chief economist, predicted that because of the enactment of the Reagan economic program, unemployment would fall below 7 percent by the end of 1982.

In February 1982, the same spokesperson said the economy "is on the road to recovery." In July, he announced that "economic recovery is underway . . . the recession ended in early spring."

By October, the Chamber had changed its tune and conceded that double-digit unemployment is "a national tragedy." Still, the Reagan sycophants urged Congress and the country to "stay the course."

The jobless toll has risen to 10.4 percent since then, and the voters of the country have sent a message to Washington: the issue is jobs, and Congress has the power and the duty to attack the problem head-on.

The issue is too important to be left to economists whose crystal balls are cracked, just like their theories.

Tuned-Out Broadcasters

AS AN EXAMPLE of a sour product offered in an attractive package, we call attention to the proposal that radio and television station owners be exempted from conforming to the Federal Communications Commission's "fairness doctrine."

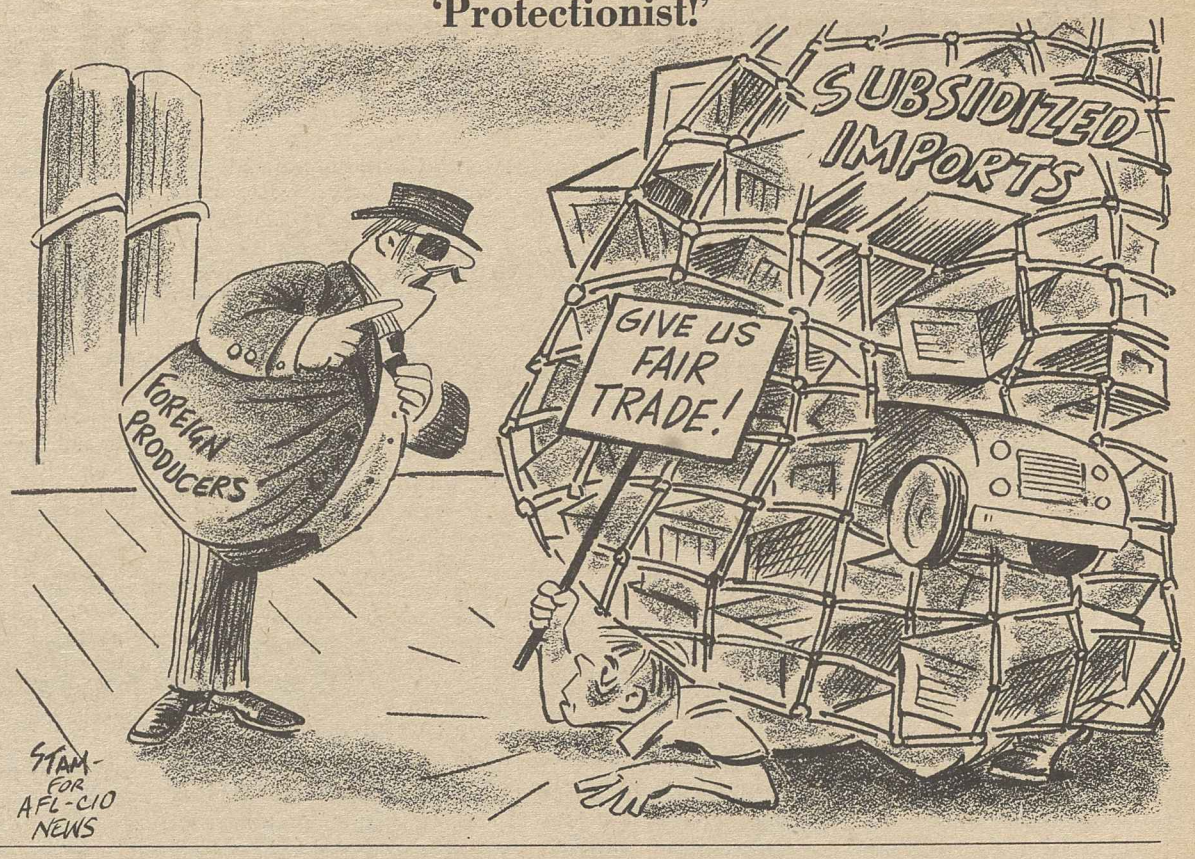
The legal provision requires broadcasters to assure that different points of view on controversial issues be given access to the airwaves. The source of the requirement is the federal authority to issue broadcast licenses.

While it sounds commendable to assure broadcasters the same First Amendment rights for disseminating information that publishers enjoy, the two cases are different. It is possible for individuals or groups to start a newspaper or magazine to challenge the positions that publishers enjoy. That is not possible in broadcasting.

Send out a new radio or television signal on an existing channel and you will go to jail. Each broadcaster has a monopoly and the number of available bands is limited. A traffic cop is needed.

The experience of unions and other liberal organizations with broadcasters is so negative that they understand their rights to access to the public broadcast channels can only be guaranteed by federal regulation. The main advocates for ending the fairness doctrine are well-financed conservative organizations, a signal for liberals to protect the doctrine.

'Protectionist!'



Washington Window

Jobless stripped of aid by Reagan budget slash

By Press Associates, Inc.

Conventional wisdom has it that, as bad as this recession is, at least it's different from the 1930s depression since today's jobless are protected by unemployment insurance. But that's not always so.

In fact, this is the first time since 1935, when the unemployment insurance system was created, in which a majority of the unemployed are receiving no jobless benefits at all. Today, fewer than 42 percent of the jobless are getting benefits and the trend continues to worsen.

By comparison, about two-thirds of those unemployed during the 1974-75 recession were able to collect benefits. Now, as then, many aren't eligible because they newly entered the job market—a category that includes many teenagers and women.

Today's low ratio of beneficiaries is due mostly to cutbacks in the unemployment compensation program which the Reagan Administration rammed through Congress last year as part of its budget cuts.

Recovery flop

Back in the spring of 1981, the Administration told Congress that its "economic recovery program" would reduce unemployment from its then 7.4 percent rate to 7.2 percent in 1982, to 6.6 in 1983, and to 6.4 in 1984. Thus, no need to worry much about cutting the compensation program for the long-term unemployed—right?

Wrong, as is now apparent to all. The Reagan Recession has brought a double-digit unemployment rate for the first time since the Great Depression and the number of jobless is still rising.

While the government and the news media focus on the "rate" of unemployment, the actual number of jobless now exceeds the number in 1933, at the peak of the depression, by nearly 400,000 as of October.

Adding the nation's 1.6 million "discouraged" workers to the official 11.6 million jobless, the real number is 13.2 million. And that's not counting the 6.6 million Americans forced to work part time, a figure which experts translate as an additional 3.3 million jobless.

In some states and cities, especially in manufacturing centers, the jobless rate has been at depression levels for many months.

2 million lose benefits

At the same time unemployment has been soaring, the number of those whose jobless benefits have run out has been growing. As a result of last year's cuts, the Congressional Budget Office estimated that unemployment benefits were eliminated or reduced for 2 million workers during the fiscal year which ended Sept. 30. CBO said the cuts would affect another 3.1 million jobless in the current fiscal year.

These Administration-initiated cuts have nearly dismantled the extended benefits program. During the 1974-75 recession, that program provided up to 39 weeks of benefits for the long-term jobless in addition to 26 weeks of regular benefits.

The number of states providing up to 13 weeks of extended benefits—the limit under the current program—have dwindled to about a dozen.

Congress in October enacted a supplemental jobless benefits program providing from six to ten additional weeks of eligibility for the long-term jobless. But this program expires the end of March.

In recent months, Congress showed signs of recognizing the dismal failure of Reaganomics, and apparently got the message of the November elections. Plans are afoot on both sides of the aisle to create jobs, rebuild the nation's crumbling infrastructure, and aid the unemployed. The nation is waiting.

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MEMO FROM COPE

The Evidence Mounts — One Vote Counts

You knew it would happen. November 2 results just proved all over again: one vote counts. It's a lesson that's repeated every election year.

Fifty-two contests for governor and U.S. House and Senate were settled by 52 percent or less of the vote, about par for the course. Indeed, winners in 36 of the 52 made it in with margins of 51 percent or less. Following are some of the tightest races.

Win Slim for Big Jim

With 3,627,128 votes counted in the Illinois governor's race, incumbent Big Jim Thompson (R) was certified a 5,074-vote winner over former Senator Adlai Stevenson in a race Thompson originally had been expected to win big. The count was 1,816,101-1,811,027. It was the closest gubernatorial race in Illinois history, and one of the closest ever in any state. A recount is expected to be demanded by Stevenson.

No major contest November 2 went so contrary to pollster's predictions. Thompson held apparent leads in various polls ranging from 10-15 percent.

What's Skinnier Than 503? What Else but 502?

In Arizona's new 5th Congressional District, Democrat Jim McNulty got 83,820 votes to 83,317 for Jim Kolbe, a difference of 503 out of 167,137 votes cast.

Candidates in Pennsylvania's 21st District went them one better. There, Thomas Ridge (R) topped Buzz Andrezeski by 502 votes out of 159,182 votes cast—79,842-79,340.

(The closest House race in number of votes was in the 26th District in Texas, where Tom Vandergriff (D) topped Jim Bradshaw by just 434 out of 139,160 votes cast—69,797-69,363.)

Missouri to California

Only 78,736 out of a total of 8,029,242 aggregate votes cast settled major statewide races in Missouri and California, both victories going to Republicans.

In Missouri, Sen. John Danforth staved off the challenge of Harriett Woods 780,276-753,835, a difference of 25,441 out of a total vote of 1,534,111.

In California, George Deukmejian (R) topped Tom Bradley for governor by only 52,295 out of a vote total of 7,495,131. The count: 3,773,713-3,721,418.

Nap Time, Commissioner

It's one thing when people in their 20s win public office. But 15?

That's right, 15. Fifteen-year-old Eric Salem, a high school sophomore in Lincoln, Neb., was elected to a four-year term on the Lancaster County Weed Commission November 2. He got more than 15,000 votes.

Handful of Votes Could Stop For-Less

In Idaho, Gov. John Evans (D) was re-elected by a margin of 3,577 votes out of 326,125 votes cast—164,851-161,274.

That small number of votes could turn out to be the major defense line against right-to-work-for-less in Idaho. Evans is committed to veto a R-T-W law if state legislators enact one. They've done it before, and he's vetoed it before.

Close-Call Re-runs

Two re-runs of close House contests in 1980 wound up close calls again in 1982.

In Virginia's 8th District on November 2, Rep. Stan Parris (R) defeated a comeback effort by Herb Harris 69,616-68,057—only 1,599 out of 137,673 votes cast.

Two years before, then-challenger Stan Parris topped then-incumbent Rep. Herb Harris by just 1,165 votes out of 189,947 votes cast—95,556-94,391.

In the case of Pete Kostmayer (D) in Pennsylvania's 8th CD, the comeback succeeded. Two years ago, he was ousted from the House by Jim Coyne 103,557-99,588, a difference of 3,969. This November, Kostmayer won back the House seat by 2,203 votes—83;145-80,942.

In their two confrontations combined, 372,585 votes were cast. The combined difference: 6,172. In the Harris-Parris duels, a combined total of only 2,724 out of 327,620 votes separated them.

Exactly One Vote

It wasn't a congressional race, but it was close enough to take note of.

It was a primary race for the Democratic nomination for city council in Warwick, R.I. First returns put George Carberry seven votes up on Gregory Pellicano, 723-716.

But 19 absentee ballots remained to be counted. They were tallied the next day. Final results: Pellicano by 729-728. Exactly one vote!

Footnote

A repeat of information carried on this page two weeks ago:

Only 39,000 additional Democratic votes in four states—Nevada, Rhode Island, Wyoming and Vermont—would have changed the U.S. Senate from 54-46 for the GOP to 50-50.

New Right Sets Up 'Populist Coalition'

Lost in all the pre-election hub-bub was a significant announcement by the organized "new right." It's taking a second name and, perhaps, shifting its issues emphasis.

Richard Viguerie, "new right" founder, announced in his October *Conservative Digest* what he calls the New Populist Coalition.

Viguerie claims this coalition will "emerge as the strongest political force of this century," and says other major rightist leaders have joined him in it—including Rep. Jack Kemp, Terry Dolan of National Conservative PAC, Howard Phillips of Conservative Caucus, and Paul Weyrich of Committee for the Survival of a Free Congress.

The coalition is unlikely to drop its push on "social issues"—busing, abortion, school prayer—but apparently it seeks to con support from others by focussing on trade relationships that "flood America with goods but keep our products out" and on immigration control, the right to conduct national voter initiatives (for ideas like balanced budget amendments and the new right "social issues," undoubtedly), for voting on reconfirmation of judges and for political control of the Federal Reserve.

The October *Conservative Digest* inveighed against "establishment power blocs," flailing at the big business and big banking communities. (It has always put what it calls "big labor" on its anathema list and targeted unions for special spite.)

Odds 'n Ends

'STAY THE COURSE' was never claimed by the Reagan Administration to be an original phrase, but does the President know the most recent officeholder to use it before him was Jimmy Carter? Carter used it at least twice in a speech to B'nai B'rith Sept. 4, 1980. Speaking of his Middle East objectives, Carter said we will "stay the course, no matter how difficult it might be. . . ." And speaking of his domestic programs, Carter said, "Our country is on the right road to the right future, and we will stay the course."

DEFICIT SPENDING hits "new right" political committees, and they wind up in the red. National Conservative PAC is $800,000 in debt, despite receipts approaching $10 million. Fund for a Conservative Majority in the hole for $325,000 after costly direct-mail appeals with "support Reagan" and "repeal O'Neill" pitches fall flat.

FISCAL IRRESPONSIBILITY also afflicts another citadel of "fiscal responsibility," the U.S. Chamber of Commerce. Its capital fund dropped by 26 percent in the 1980-81 period, and its operating deficit doubled to $10 million. The Chamber decided to make up the shortfall by dunning members in a special fund-raising program.

Three R's: Reagan, Republicans, Rebellion

There's a mini-rebellion among Republicans against the choke collar President Reagan had them on during his first two years in office.

It springs directly from November 2, when voters decided there were better ways to get ahead than to "stay the course." The mini-uprising is evident in many post-election events.

- When the President first floated his idea for moving up the third stage of his tax cuts to January and perhaps increasing them, promptly, his two main congressional leaders, Howard Baker in the Senate and Robert Michel in the House (who survived the election, but not by much) said forget it. Not only are they unenthusiastic, they said their troops are, too. In addition, the President's own top economic adviser opposes the notion openly.
- On the same day the President went before the United States League of Savings Associations to tell delegates how swell his economic program is and how things are looking up, one of the good GOP soldiers of the first two years of Reaganomics stood before the same group and argued for a change in course. Senate Budget Chairman Pete Domenici (N. Mex.) said if things are indeed looking up at all, "recovery will be anemic." And Domenici called for a second look at the Reagan tax program and defense build-up.
- At a post-election private meeting of House Republicans, the consensus was to demand a greater voice in White House decisions over the next two years. GOP Whip Trent Lott (Miss.) said the House GOP leadership "will be more aggressive in having an input at the White House" and added, "We're going to have an input on what they recommend up there or we won't carry water for it."

Reminding Reagan that he lost on November 2—rather than won, as the White House likes to claim—Lott said, "It's a different ball game with different numbers and different problems. And we're going to approach things differently."

A year ago, that would have been heresy.

- Republican governors, shocked by the loss of seven of their colleagues—reducing their ranks from 23 to 16—blamed their election losses on high unemployment and Reagan policies that are "scaring people to death."

They deplored record-setting deficits under Reagan, claimed voters feel "Republicans care only about the rich" and are frightened by "screwball ideas" for changing social security.

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SATURDAY
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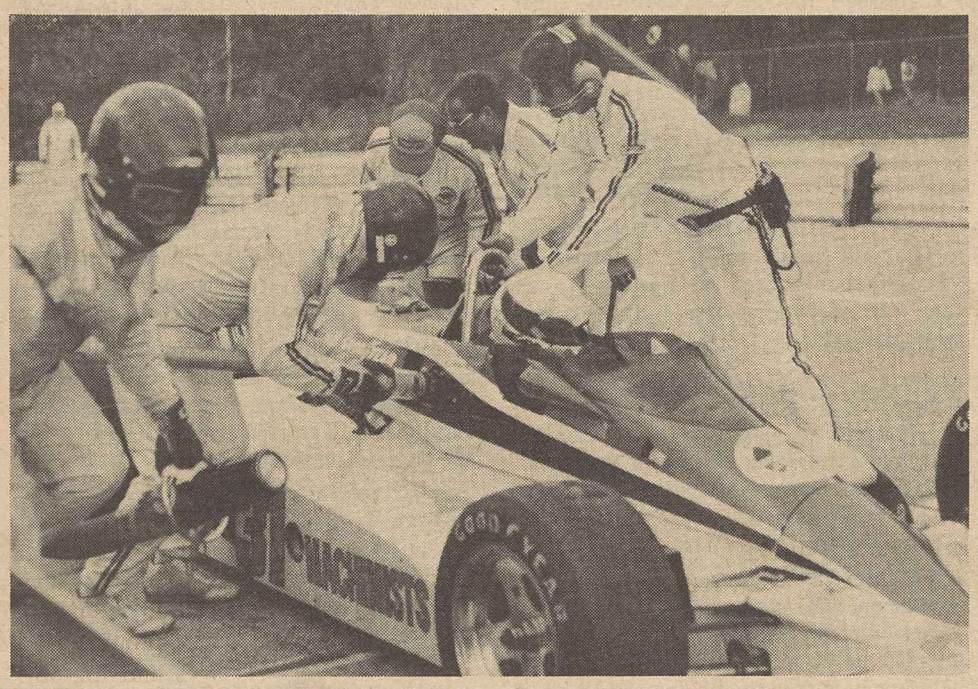
LEGISLATIVE ALERT!
PAGE 8

Congress weighs action on jobs



Raring to roar

Machinists' pit crew services the union's racing car during one of its stops on the Championship Auto Racing Teams circuit for Indy-class racers. During the 1982 season, the IAM racing team raised its standing to ninth place among the 66 CART competitors and collected $134,000 in prize money. The CART teams also voted IAM driver Roger Mears and chief mechanic Dennis McCormack the "most improved" on the circuit. (Additional photos, Page 2.)

Lame-duck session bucks resistance of White House

By David L. Perlman

Congressional Democrats are putting together a job-creating legislative package which they hope to attach to a "must-pass" appropriations resolution that will be needed to keep the government functioning after Congress adjourns.

President Reagan wants no part of it. He called House and Senate Republican leaders to the White House to urge them to resist new job initiatives in a lame-duck session of Congress that began Nov. 29 and is expected to run until mid-December.

As Congress reconvened, there appeared to be wide bipartisan support for the highway repair and mass transit bill, despite disagreements over some of its provisions and over the proposed five-cent-a-gallon gasoline tax to fund it. But there were big differences over the rest of the agenda.

House Speaker Thomas P. O'Neill, Jr., told reporters that the Democratic package will include a $5 billion public works program that would employ some 250,000 persons on projects such as refurbishing public housing, veterans hospitals and AMTRAK rail facilities. Other ingredients being considered include mortgage subsidies to spur housing construction. O'Neill has also said he will push for House passage of a domestic content requirement for autos sold in the United States to relieve massive unemployment in the automobile industry.

Gas tax jobs

All this would be in addition to the highway bill, which would allocate about 80 percent of the new gas tax revenues for road and bridge repair. The remaining 20 percent of the estimated $5.5 billion-a-year revenues would go for transit system equipment and repairs. The government's latest estimate is that such a program would provide direct employment for 175,000 workers, with about 150,000 additional jobs from a ripple effect.

At a White House news briefing, Reagan told reporters that the Democratic public works plan wasn't needed because the country would be coming out of the recession before it took hold. He cited a Commerce Dept. report of a strong rise in the leading economic indicators—which just hours later the department revised downward after discovering an error in calculations.

Reagan said the Administration would not seek to advance the 10 percent income tax cut due next July to January, as it had contemplated doing. Republican leaders told him bluntly there was no support in either the House or Senate for such a deficit-raising move.

But the Administration's agenda for congressional action in the lame duck session included such labor-opposed programs as the job-exporting Caribbean Basin Initiative, a regulatory reform measure the AFL-CIO termed deeply flawed, and the controversial Urban Enterprise Zone proposal. The enterprise zone plan would encourage firms to relocate in depressed

Continued on Page 5

ILO calls on Poland to restore union rights

Geneva—The Polish military dictatorship has been warned that its union-busting tactics will be subjected to the scrutiny of a semi-judicial investigation by the International Labor Organization unless it moves by February toward the restoration of free trade unionism.

The ILO's Governing Body of worker, employer and government delegates agreed to postpone until its February-March session a decision to set up a formal commission of inquiry on the recommendation of its Freedom of Association committee.

The recommendation was contained in a committee report denouncing the government's banning of the Solidarity free trade union as "contrary to the principles on Freedom of Association."

Watchdog panel

Drafted by the watchdog committee after hearing out Poland's deputy labor minister, Krzyfztof Gorski, the report was sharply critical of all the government's moves against Solidarity and its leaders. The report also called on the military regime to recast the labor legislation it railroaded through parliament and permit independent unions to function freely.

The committee's report and recommendations were adopted by a vote of 47-4, with three abstentions, over the heated protests of Gorski, who collected only Soviet bloc votes.

AFL-CIO International Affairs Director Irving Brown told the Governing Body that he had "grave doubts" in view of the Jaruzelski government's record that there would be sufficient progress toward the "restoration of the legitimate trade union movement of Solidarnosc" to obviate the need to establish the commission of inquiry.

"It is not only in this body that the international free trade movement will continue to keep the issue of Polish free trade unionism alive," he said.

The fight will be waged "everywhere in the world—in the United Nations, its hu-

Continued on Page 6

Reagan abandons proposals for tax on aid to jobless

A storm of outrage has scuttled a Reagan Administration proposal to tax all unemployment benefits, but other soak-the-poor proposals are still afloat including a subminimum youth wage.

Unemployment compensation is already taxed for an individual whose total income for the year is at least $12,000 or for a couple with a combined income of $18,000.

The reasoning of the Administration task force that came up with the idea of taxing jobless workers with lower annual incomes, a White House spokesman explained, is that it would make unemployment "less attractive" and spur people to "seek jobs." The added tax revenue squeezed from the poorest of the unemployed could be used for job training programs.

The AFL-CIO expressed the labor movement's revulsion at the "callous and unfair" proposals that were the top Thanksgiving Day news stories from Santa Barbara, Calif., the temporary White

Continued on Page 5

Management Consultants

Union-busting behind the scenes

The tentacles of the management consultant are penetrating ever deeper into the workplace.

Since the congressional exposures more than 20 years ago of the infamous anti-union practitioner, Nathan R. Shefferman, the management consultant has multiplied a thousandfold.

His union-busting tactics are spreading throughout the workplace as each success spurs new and more ambitious strategies.

This is the first of a series of articles on the rise of "management consultants" as a tool for employers in thwarting their workers' trade union rights. Future articles will deal with specific union-busting firms and their tactics, the factors encouraging their growth and the ingredients of an effective union response.

He is unsatisfied with merely guiding employers on how to keep their workers from joining unions.

He is unsatisfied with counseling employers on how to avoid signing contracts with unions elected to represent the workers.

Inciting unrest

His crown of achievement in a career built on fomenting disruption in the workplace is to destroy union representation through decertification.

A rising star of the union-busting set is Alfred T. DeMaria, a high-income New York consultant who specializes in decertification at an average campaign fee of $15,000. If litigation is involved, as it usually is, employers pay extra.

DeMaria won his union-busting spurs by conducting one-day seminars for executives who pay $425 each to learn about decertification campaigns. The text for the course is a 167-page guide, authored by DeMaria, that tells the businessman how to "recapture the union-free status your company once enjoyed."

DeMaria's budding career was duly noted in a recent profile in the Washington Post, titled Corporate Strategist Against Unionism.

The article quotes from the text of the $49.95 guide in which DeMaria advises employers to make a "twenty-fifth hour captive audience speech to all employees."

He even provides the text:

"Vote for your company, vote for yourselves, vote for the future, vote for progress. . . . No more haggling. No more

Continued on Page 2

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12/4/82

Management consultants—a growth industry

Continued from Page 1

dues taxation. No more distrust." This, he tells employers, is their "last shot" before the decertification vote.

The shadow world of management consultants is populated by some 1,500 practicing union-busters.

The practitioner is a specialist whose only goal is to defeat the union, whether in an organizing campaign, bargaining on a contract, or in the decertification campaign he is likely to have inspired.

From his perch behind the scenes, he guides employers on delaying tactics to keep workers from voting for union representation. He pushes supervisors to probe employee sentiments and encourage dissension. He advises on the latest communication techniques so that management will dominate the employee's access to information.

A major industry

The record exposed in the 1979 hearings on Pressure in Today's Workplace by the House Subcommittee on Labor-Management Relations shows that management consultants have become a major American industry, with annual sales of more than half a billion dollars.

They are involved in planning strategy directed at influencing workers in an estimated two-thirds of all National Labor Relations Board representation elections.

By their own accounts, they are earning their fees.

Modern Management, Inc., the biggest of the union-busters, boasted at the hearings that over the 1977-79 period, the firm assisted employers in 696 union organizing campaigns and defeated unions 93 percent of the time.

Tenfold growth

In the front line of the surge of management consultant firms a decade ago, Modern Management's payroll had swelled to 92 consultants at the time of the House subcommittee hearings. MM's own witness estimated the number of practicing consultants overall "has had maybe a tenfold growth in the past 10 years."

Management consultants come in a variety of guises. In addition to firms whose activities are directed primarily to union-busting, consulting is performed by law firms, employer and trade associations and individual psychologists. Detective agencies and non-profit anti-union organizations also play a role.

They employ specialists with degrees in industrial relations, psychology, business law and other social sciences. Their job description is spelled out in the subcommittee report:

"These firms provide a variety of services which might include union 'prevention,' management and supervisor training, devising employee compensation programs, and other functions aimed at structuring the relationship between employer and employee to maximize employer control and minimize union influence.

Defeating unions

"Their primary function, however, is the orchestration of campaigns to defeat unions."

The management consultant could not flourish, or even survive, in an atmosphere that did not encourage such clandestine activity.

He serves as an agent, an adviser, responsible to the employer, and not otherwise responsible for his actions. He serves at the behest of management, performs his services and moves on to the next assignment.

A sizable segment of the business community supports his functions. Even where they may not be directly involved in union-busting activities, employers are encouraging its practice.

Advice provided

The U.S. Chamber of Commerce, the National Association of Manufacturers, the Business Roundtable—the heart of blue-chip corporate America—all provide advice to their members on tactics for maintaining or achieving a "union-free environment."

Other trade associations, such as the Master Printers of America and the Associated Builders & Contractors, are single-industry organizations supplying their members with advice and services to be used in opposing unions.

In combine, these employer organizations provide a formidable array of resources, including research and publications, seminars, information clearing houses and advisory services.

The House subcommittee hearings probing the actions of these employer associations found "they supply expertise in every stage of anti-union efforts, including 'prevention,' union representation elections, decertification, deauthorization, and setting up non-union operations."

Industrial psychology, originally applied in the workplace to maximize production through efficient labor-management relations, is also being utilized for union prevention. The subcommittee report notes:

"Through management seminars, supervisor training, and individually tailored compensation and workplace organization programs, industrial psychologists help employers create work environments designed to resist unionization. The new breed of industrial psychologist operates individually, in connection with professional seminar firms, or for labor consulting firms."

The end result of this activity is an atmosphere befogged by hostility to unions, out of which emerges the management consultant.

Two-way position

Yet some of these same employers and management associations extol the virtues of labor-management cooperation for better job performance and, they say, to build a better work environment.

Because a management consultant thrives on destroying that environment, it is not unreasonable to question management's true motivation. Employers cannot help but be aware of the damage to labor-management relations in the wake of the management consultant's visit.

Evidence of the negative impact of management consultant activities was brought out in the nine days of hearings by the House Labor-Management Relations subcommittee. Its report stated:

"We found that the strategies advocated and implemented by the consultant can have a troubling impact on labor-management relations far beyond the consultant's presence on the scene."

Lingering conflict

The report adds that "while strategies are motivated by the immediate concern of defeating the union, the result can be lingering conflict and antagonism, which is unproductive and debilitating for worker and management alike."

With the management consultant's departure, both are left to deal with "what probably has been one of the most traumatic periods that either employer or employee has endured at the workplace," the report states. "This can be true whether the union wins or loses."

Violations rise

The dissension created by the union-busting campaigns is evident in the records of the National Labor Relations Board. They show extensive increases in unfair labor practice charges filed against employers and discriminatory firings of union supporters, beginning with the rise of the management consultant to the present.

In 1957, 3,655 unfair labor practice charges were filed against employers involved in 6,744 representation petitions. A total of 922 illegally fired employees were reinstated as a consequence of employer discrimination.

By 1980, unfair labor practice charges against employers had increased ninefold. Reinstatement of employees after discriminatory findings reached 1.3 for every election—a tenfold increase.

The 1980 board report shows some 500,000 employees participated in union representation elections, and 10,000 were reinstated after the agency found they were illegally fired—primarily in organizing campaigns. This means one in 50 employees is likely to be illegally discharged during an organizing campaign and among union supporters, the odds are more like one in 25.

Protections lacking

The protections of the National Labor Relations Act are inadequate, particularly when management and its consultant agents are determined to circumvent its provisions.

Modest reforms in the law sought by the labor movement several years ago would have minimized their ability to evade the law.

Instead, the right to union representation continues to be thwarted by firings, intimidation—and endless delay. This is the working agenda of the management consultant who guides a receptive employer on a mutual mission of destroying democracy in the workplace.

Mediation agency funds joint panel on productivity

The Federal Mediation & Conciliation Service has awarded a $100,000 grant to the American Arbitration Association to establish a Labor-Management Committee on Productivity & the Quality of Working Life.

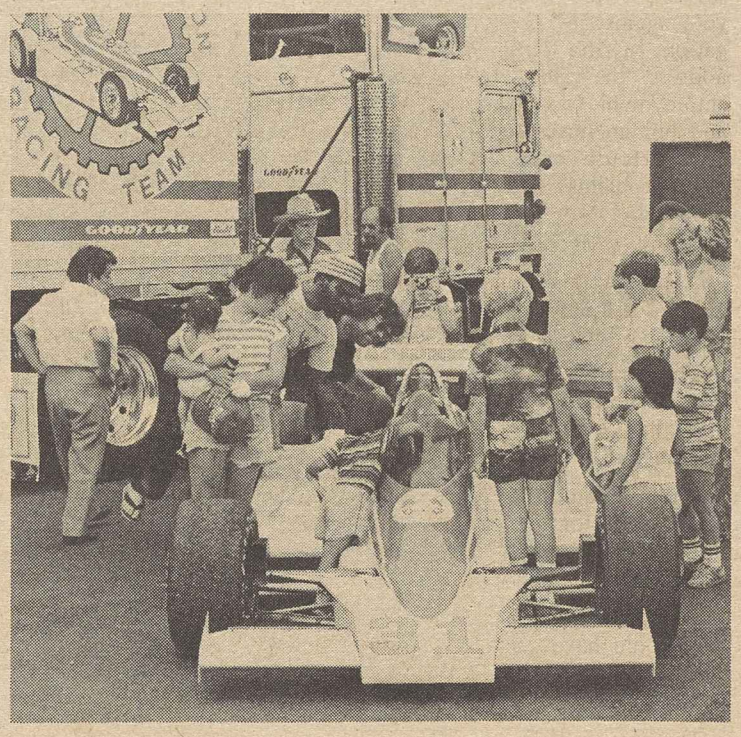
AAA President Robert Coulson and FMCS Director Kay McMurray will serve as co-chairmen of the 14-member panel. The committee will develop model guidelines for cooperative efforts in both the public and private sectors.

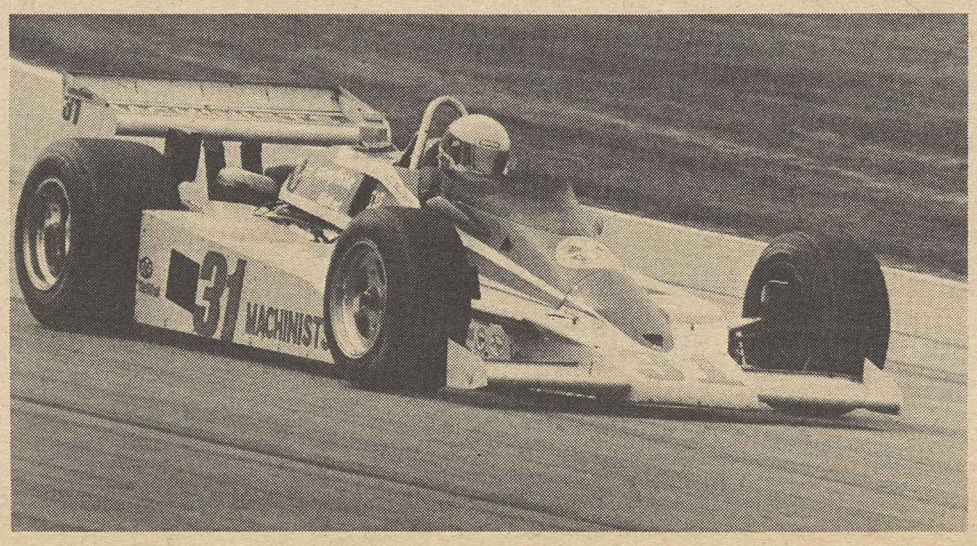
Eight members of the committee have already been named. They include AFL-CIO Sec.-Treas. Thomas R. Donahue, Fire Fighters President John A. Gannon, President Robert Georgine of the federation's Building & Construction Trades Dept., President Gerald W. McEntee of the State, County & Municipal Employees, and Service Employees President John J. Sweeney.

The committee will choose two geographic sites, one city and one state, for establishing local model area labor-management panels to carry out the objectives of the grant. Terms of the grant call for a 50-percent matching of funds from the selected areas.

The grant is authorized by the 1978 Labor-Management Cooperation Act, which enables FMCS to help set up plant, area, and industrywide labor-management committees.

A total of $500,000 was appropriated for such aid in fiscal year 1982.





On the circuit

Finishing in the top 10 in seven major races on the Championship Auto Racing Teams circuit, the Machinists-owned and operated Indy-class racer drew wide attention during the 1982 season. And that required IAM driver Roger Mears to handle additional autographing work to accommodate young racing fans. For the 1983 season, the IAM will retire the aging No. 31 and replace it with an improved Penske-Cosworth PC10.

Caribbean bill opposed for high jobs cost

The AFL-CIO called on Congress to set aside the Administration's flawed Caribbean Basin Initiative bill and urged that tht lame-duck session be used for "job creation, not job destruction."

Legislative Director Ray Denison wrote House members that the AFL-CIO considers the legislation "economic suicide" for the United States "at a time when more than 11 million Americans are jobless and Congress is desperately seeking funds for job-creating programs."

The Administration proposal would allow duty-free imports from the Caribbean and give special tax breaks to U.S. firms that set up operations in the region.

Denison noted the AFL-CIO's continuing commitment "to help our friends in the Caribbean" and its support for "a strong economic aid program" to help the region overcome "massive problems." But "neither the workers in the Caribbean nor the workers in the United States want programs that cost one another jobs and lead to more unemployment," he stressed.

Among the Administration proposal's many faults, Denison said, is a loophole that will allow non-Caribbean exporting nations to funnel duty-free goods into the United States by having as little as 25 percent of the work performed in the Caribbean. Thus, the legislation could end up as a windfall for the Soviet Union or Asian nations, he noted.

Worsening trends

There was no strong support for the measure at House and Senate hearings earlier this year, Denison noted, and since then unemployment and the trade picture have worsened. "The first nine months of 1982 have shown a huge swing from a trade surplus to a $7.7 billion deficit in imports over exports in manufactured products," he added.

The Caribbean Basin legislation should be "sent back to the drawing board where a more thoughtful plan of assistance to the Caribbean region can be drafted" for the new Congress, Denison urged.

But if the Administration proposals should be called up in the lame duck session, "the AFL-CIO urges that you vote against it," the letter said. The obligation of the outgoing Congress is to address "the critical problems of . . . unemployment, foreclosures, plant shutdowns and human misery," Denison insisted. He urged House members not to "add to these problems" with the Caribbean Basin proposal.

Job-placement pact

Signing of a cooperative agreement between the AFL-CIO Human Resources Development Institute and the Maryland Vocational Rehabilitation agency inaugurates a new HRDI handicapped placement program in Baltimore. Participating are from left, Vince Moretti, HRDI handicapped placement coordinator; HRDI Executive Director Mike Arnold; Richard Batterton, assistant state superintendent for vocational rehabilitation, HRDI President Alan Kistler and Maryland AFL-CIO President Thomas M. Bradley.

New HRDI center to assist job search of handicapped

Baltimore—The AFL-CIO Human Resources Development Institute and the state of Maryland are cooperating in a new program to find jobs for handicapped workers.

HRDI officially opened the new Baltimore office of its handicapped placement program with the signing of a cooperative agreement with the state's Division of Vocational Rehabilitation.

Under the agreement, HRDI placement specialist Joseph Jones will work with the rehabilitation agency to find regular jobs and additional training opportunities for people certified by the agency as ready to work.

Agreement signed

The agreement was signed by HRDI President Alan Kistler and Richard Batterton, assistant state superintendant of the Maryland Division of Vocational Rehabilitation.

Other participants in the signing included HRDI Executive Director Mike Arnold, Maryland State AFL-CIO President Thomas M. Bradley and Baltimore AFL-CIO President Henry Koellein, Jr.

At the ceremony, Kistler pointed out that the labor movement "has historically supported the efforts of those with disabilities to take their places as independent, productive and working members of society."

Close union ties

Batterton said the state agency actively sought the agreement with HRDI because of the institute's close contacts with unions and track record "in helping to change attitudes and open doors for disabled workers."

The Baltimore facility is one of four handicapped placement offices now being operated by HRDI with funding from a $265,000 grant from the U.S. Dept. of Education. The other offices are in Houston, Minneapolis-St. Paul and Seattle.

Kistler said Baltimore was chosen for the new program because of assurances of "full cooperation by both the labor movement and the state rehabilitation agency."

HRDI's handicapped placement program was initiated by an AFL-CIO Executive Council resolution in 1977, and since that time jobs have been found for more than 2,400 handicapped persons including union workers injured on the job.

Holiday bonus set for laid-off GM workers

Detroit—The Auto Workers reached agreement with the General Motors Corp. on a special holiday payment of $300 each for 87,000 of its laidoff members.

The money for the payments, to be made in time for Christmas, will come from a fund established under the UAW GM contract signed last March. It provides that GM pay $6.7 million a month into the fund, which is earmarked primarily for retraining workers for new jobs.

At the same time, the company will make a comparable $300 special payment to about 7,000 laid-off salaried employees and to 6,000 laid-off hourly workers represented by other unions.

Joint announcement

The special payment announcement was made by UAW Vice President Owen Bieber, who is head of the union's GM department, and GM Chairman Roger B. Smith. The $300 payment will be given to employers who were placed on layoff status after Jan. 1, 1979, and who:

- Had at least one year of service as of the date of layoff and have not exhausted this seniority or service as of the end of last month.
- Have exhausted all GM layoff benefits as of the end of November 1982 and are not eligible for other benefit payments such as sickness or workers' compensation benefits.
- Have not found regular full-time employment elsewhere.

Payment checks are expected to be made available to eligible workers starting Dec. 17. After eligibility and current status are verified, employees may pick up their checks at the location from which they were laid off, or have their checks mailed to them.

Democrats retain both House seats in Georgia voting

Two postponed congressional elections resulted in decisive Democratic victories as Georgia voters re-elected Wyche Fowler, Jr., in Atlanta and Elliott H. Levitas in an adjoining, largely suburban district.

Both winners had COPE endorsement and were elected by big margins in contests that had attracted national attention. The elections had been postponed until Nov. 30 after the districts were realigned under court order to avoid dilution of the black vote.

The effect of the realignment was to increase a slim black majority in Fowler's 5th congressional district to 65 percent and to add to Republican strength in the district Levitas has represented since defeating a Republican incumbent in 1974.

Fowler, who is white, first won his seat in a 1977 special election to succeed Andrew Young, who had resigned to become President Carter's ambassador to the United Nations. He has compiled a 64-percent "right" voting record by COPE standards.

Despite the redistricting, Fowler was unopposed in the Democratic primary. And in the general election, he won with more than 80 percent of the vote over two black candidates—an independent who came in second and a Republican who had less than 6 percent of the vote.

Levitas, a middle-of-the-roader in Georgia political terms, had been seen as endangered by the redistricting which cost him some Democractic votes and by a heavily-financed Republican opponent helped by a team of GOP campaign professionals sent in after the Nov. 2 nationwide elections. They tried to portray Levitas as too liberal for the district.

But when the ballots were tallied, Levitas had beaten Republican Dick Winder by a two-to-one margin.

Levitas termed his victory a rejection of President Reagan's economic policies.

Family earnings plunge 2.5% over year

The earnings of American families have taken a nosedive in 1982, and more families than ever report no wage earners working at all.

The Bureau of Labor Statistics report on earnings for the third quarter of 1982 showed real median family income down 2.5 percent compared to 1981.

Without adjustment for inflation, families would have gained 3 percent for the period with median weekly earnings at $455.

The recession's impact is also clear, the BLS said, in the higher number of families without an employed family member, 12.1 million in the third quarter, or about 19.5 percent of all families. This is an increase of 766,000 families over last year's figures.

Among families reporting some unemployment during the third quarter, 29.3 percent had no one employed, up from 26.9 percent last year.

Married couple families had median earnings of $498 a week in the third quarter. Median income was $399 a week, where the husband was the only worker, but only $197 a week where the wife was the only one with a job. In families with both husband and wife working, weekly median income was $590.

The median income of families maintained only by a female householder was $220 a week.

Earnings for individuals fared slightly better, the BLS noted. Real median earnings of individuals, adjusted for inflation, were up 1.4 percent in the third quarter of 1982 compared with the same period a year ago. Earnings had declined 2.7 percent in the period between 1980 and '81.

$307 per week

Before adjusting for inflation, individual earnings were up 7.1 percent over the year to an average weekly wage of $307.

Young men 16-24 suffered a 4.7 percent drop in median weekly earnings adjusted for inflation and real wages for young women that age declined 1.9 percent.

White males' median weekly wages were up 2.6 percent even after inflation is taken into account, but earnings of black males were down 2.3 percent. White females had a gain of 1.4 percent, but the median real income of black women edged down two-tenths of a percent.

The BLS figures for Hispanic workers showed a six-tenths of a percent drop in median weekly pay in the third quarter.

The earnings gap between male and female workers remained wide, the BLS report said, with the $240 weekly median wages paid to women amounting to only 65 percent of men's $371 median wage, the same ratio as last year.

Black men earned only 74 percent of the wages paid to white men, but in contrast, the BLS pointed out, black women earned 92 percent of wages paid to white women.

The BLS data for major occupational groups showed that nonfarm managers and administrators still take in the highest median weekly earnings, $428. Again, the disparity was sharp when broken down by sex with male managers earnings a weekly median of $500 compared to $311 for women in the same category.

Professional and technical workers posted median weekly earnings of $413—$485 male, $346 female.

Women's earnings lag

Craft workers had median weekly earnings of $382 overall, or $392 for men against $242 for women. The BLS data showed clerical workers earning $248 weekly, broken down to $352 for men versus $235 for female clericals.

The lowest earnings, the BLS noted, were among service workers at $200 a week and for farm workers where median pay was $188.

German study group

Concerns of unions in both the United States and Germany are discussed by a study group of German trade unionists during a visit to AFL-CIO headquarters in Washington. From left are Dale Good, assistant to AFL-CIO President Lane Kirkland; Hans-Joachim Welt, administrator of the Westphalian Relief Fund of the German Union of Miners & Energy Workers (IBGE); Udo Wichert, assistant to IBGE President Adolf Schmidt; Diethard Bendrat, deputy director, IBGE Recklingen District; Norbert Roemer, deputy editor of "Einheit," the IBGE journal; Christopf Burmester, secretary of the youth and works council division, German Construction Workers Union; Doug Brooks, president, Atlanta Labor Council, and Inge Wichmann, the group's interpreter.

Heavy agenda of bargaining slated for '83

A heavy bargaining agenda is developing for 1983 with major union contracts covering about 3.6 million workers due for renegotiation.

A report released by the Labor Dept.'s Bureau of Labor Statistics said 845 of the 1,772 major agreements it tracks will expire next year. The BLS data cover some 8.5 million workers in bargaining units with at least 1,000 employees.

Negotiations are slated in aluminum manufacturing, telephone communications, steel, East and Gulf Coast longshoring, and aerospace, the report said. Contracts will also be up in the tobacco, food store, lumber, glass and copper industries.

The BLS also said bargaining in construction would be "particularly heavy" in 1983 because of the many short-term contracts negotiated in 1982.

Of the 8.5 million workers covered by major contracts, about a third will get deferred wage increases next year, the report noted.

This is the smallest proportion of such increases since its record-keeping started in 1967, the BLS said. It cited as a factor the number of 1982 multi-year settlements that don't include specific wage increases during the contract period.

COLA a factor

The BLS speculated, however, that most of those contracts would produce some wage increases triggered by cost-of-living adjustment clauses.

Deferred wage increases bargained for in agreements reached in prior years will average 6.1 percent in 1983, the BLS said. But actual increases will depend on when the contract was negotiated. The agency said the average increase for agreements reached in 1981 will be 6.7 percent compared to 5.8 percent for those settled in 1982.

About three million workers will get COLA raises in 1983, the BLS estimated.

Sterner action on hijacking sought by Flight Engineers

New Orleans—Key resolutions on airplane hijacking and the size of aircraft crew complements highlighted the agenda at the Flight Engineers' annual convention here.

Both branches of the union—one representing only U.S. affiliates or chapters, the other comprising chapters from 19 other countries in which FEIA has members—approved the measures as well as resolutions concerning internal affairs. Delegates also elected a new secretary-treasurer and a vice president for technical matters.

In the resolution on hijacking, FEIA delegates deplored the failure of the Thai government to prevent the hijacking of an Italian airliner, condemned the Sri Lanka government for harboring the hijacker and Alitalia Airlines for providing ransom money.

"Such considerate treatment in a hijacking incident can only encourage a repetition of such criminal conduct to the peril of all passengers and flight crew members," the FEIA resolution warned.

In its resolution on aircraft crew complement, the union said the absence of a flight engineer on board the two-pilot Air Florida plane that crashed in Washington Jan. 13, 1982, led to mistakes which the National Transportation Safety Board has found as probable causes for the tragedy.

The board said the flight crew's failure to use engine anti-ice during ground operations and take-off, its decision to take off with snow or ice on the plane's airfoil surfaces, and the captain's failure to abort the take-off after his attention was called to irregular instrument readings would not have happened with a flight engineer in the cockpit.

"These failures were caused by the absence of the technically competent human backup which has in the past been afforded to pilots who fly such large sophisticated aircraft by a flight engineer whose responsibility, training, and sensitivity for the safe condition of the aircraft at all times assure the passengers and flight crew that no take-off will occur unless the aircraft, under any weather conditions, is ready for a safe take-off observing all applicable safety regulations," the resolution said.

Fatal crash

The Tampa-bound Boeing 737 jet crashed into the Potomac River minutes after takeoff, killing 78 passengers and crew members as well as several people in cars struck by the plane when it slammed into a bridge.

To prevent a repetition of the Air Florida disaster, the FEIA called for crews consisting of two pilots and a flight engineer on all airlines. It forwarded the resolution to President Reagan and the heads of other governments that certify commercial airliners.

In other action, the delegates elected Jerry L. Austin of American Airlines to succeed Karl F. Anderson of Pan American as executive vice president/secretary-treasurer. Anderson is retiring from the post.

Also elected was Charles L. Hunt of American Airlines as vice president-technical. The position had been vacant since the retirement of Jack Wahle of Pan Am two years ago. President William A. Gill, Jr., of Pan Am and First Vice President Roger C. Bricknell of British Airways have another year remaining in their two-year terms.

IUD booklet cites need for industrial policy

Alternative policies that the United States should pursue to halt the continuing deterioration of basic industries are explored in a report prepared by the AFL-CIO Industrial Union Dept.

Presented in a 20-page booklet titled "Crossroads for American Industry," the report was written by IUD President Howard D. Samuel and three union presidents, Douglas A. Fraser of the Auto Workers, Lloyd McBride of the Steelworkers and Glenn E. Watts of the Communications Workers.

The report, which documents the decline in U.S. manufacturing jobs, is the outgrowth of discussions the IUD conducted at the Democratic Party's conference in Philadelphia earlier this year.

Flexible system proposed to pay Medicare costs

If the Reagan Administration is going to limit Medicare reimbursements to hospitals, it ought to provide a flexible method that will take into account the higher costs incurred by public facilities that serve many poor and elderly patients, the AFL-CIO asserted.

Federation President Lane Kirkland in a letter to Health & Human Services Sec. Richard S. Schweiker said the AFL-CIO is "very concerned" that the department's new regulations limiting Medicare reimbursements to hospitals do not include a method that would permit larger, justified payments to public and community hospitals "serving a disproportionate number of elderly or low-income patients."

Kirkland urged that such a program be developed quickly.

New proposed regulations issued by Schweiker's department stemmed from belt-tightening provisions in the tax bill passed in August. But Kirkland reminded the secretary, "Congress recognized an adjustment had to be made for higher costs involved in treating patients in inner-city hospitals."

Adjustments authorized

He pointed out that labor-supported provisions in the bill gave HHS authority to develop a system to adjust payments to hospitals with higher costs.

Development of some kind of mechanism is "crucial," Kirkland warned, "for without special treatment there is no doubt that many inner-city hospitals, which provide the only access to services to the elderly, the poor and the rapidly growing number of unemployed workers, will be forced to close."

These facilities are frequently "the providers of last resort for our most disadvantaged citizens," Kirkland said. He noted that many hospitals that have taken care of these people have already gone under and others "have accumulated deficits which seriously jeopardize their ability to continue to operate."

The cost of treating patients in public and community hospitals has been shown to be higher on a per diagnosis basis than for other facilities, but unlike other institutions, public and community hospitals are unable to survive reductions in reimbursement under public programs by shifting costs onto patients covered by private insurance, the AFL-CIO pointed out in comments attached to Kirkland's letter.

Not all hospitals will need special treatment, but "it is essential that hospitals which do need allowances receive them," the statement stressed.

"Cutting back the predominant source of reimbursement for these hospitals without taking into account the higher cost involved in treating their patients will surely hasten their demise," it said.

U.S. trade deficit climbing toward another record

The nation's merchandise trade deficit widened by a seasonally adjusted $5.33 billion in October, pushing the deficit for the first 10 months of the year to $35.04 billion, compared with $33.67 billion in the comparable 1981 period.

"The October trade figures virtually assure a record deficit this year," Commerce Sec. Malcolm Baldrige said. Earlier this year, the Commerce Dept. had estimated that the 1982 deficit would narrow from last year's $39.69 billion red-ink total.

Last month's deficit compared with an adjusted deficit of $4.19 billion in September. The record deficit for any one month, $7.08 billion, was set in August.

Fewer jobs

The trade deficit indicates the extent that money is flowing out of the country and is therefore not available for domestic use. Rising imports and declining exports translate into fewer jobs for Americans.

The country's largest annual deficit to date was $42.36 billion in 1978, followed by $40.37 billion of red ink in 1979. The last time the nation registered a surplus was in 1975, when exports exceeded imports by $1.72 billion.

In October, exports fell 4 percent to a seasonally adjusted $16.7 billion from an adjusted $17.39 billion in September. Much of the decline stemmed from reduced shipments to Mexico, which is in financial difficulties.

Imports rose 2.1 percent over the month to an adjusted $22.02 billion, after falling 12.2 percent in September to an adjusted $21.58 billion. The value of imports of petroleum and related products rose 15 percent to $5.78 billion after declining 19.3 percent in September.

AFSCME Gains 8,000 in Arizona

Phoenix—The Arizona Public Employees Association voted to affiliate with the State, County & Municipal Employees at a special membership meeting by a 90-percent margin.

The new 8,000-member affiliate, representing largely state government workers, will be designated APEA/AFSCME Council 97. Four existing AFSCME locals with a membership of 2,500 have also voted to join the new council.

Following the Nov. 20 affiliation vote, more than 1,500 of the new AFSCME members rallied at the state capitol to press the legislature to enact collective bargaining rights and needed pay increases for public employees.

AFSCME President Gerald W. McEntee pledged the union's support in the campaign through legislative and political action.

"There is no reason why public employees in Arizona shouldn't have a collective bargaining law—a right that exists in some form or another in 45 other states," McEntee told the demonstrators.

Mixed economic signals chill hopes for recovery

By James M. Shevis

A tentative economy continued to send out mixed signals, despite a two-tenths of 1 percent rise in a government index designed to forecast economic trends, leaving recovery from the 16-month-old Reagan Recession nowhere yet in sight.

The October rise in the Commerce Dept.'s index of leading economic indicators—the sixth improvement in seven months—was greeted with restraint by Commerce Sec. Malcolm Baldrige, who said simply:

"The moderate rise in the leading index for October continues an upward trend that began last April. Gains in the index have been slower than the average prior to past recoveries, reflecting the cross-currents in the economy during the last two years."

'Clerical error'

Baldrige's comments came after an unusual department correction, saying that a more encouraging six-tenths of 1 percent rise reported earlier in the day was wrong. The department said a "clerical error" occurred in compiling new orders for consumer goods and materials, one of the 11 statistical series that make up the leading indicators index.

The two-tenths of 1-percent rise in October followed a 1.1-percent increase in September, which was revised from the originally reported five-tenths of 1 percent increase. After showing no change in March, the index has risen every month since then, except for August when it declined two-tenths of 1 percent.

Validity questioned

The index is not designed to forecast the strength of a recovery. Rather, it is supposed to provide an advance signal of recovery just before a recovery becomes evident. It has proved a reliable indicator in the past, yet at least one government economist has questioned the validity of the index in forecasting recovery this time.

"The rising trend in leading indicators has been long enough"—and yet a recovery has failed to materialize—"to lead one to say, 'What is wrong here?' " Robert Ortner, chief economist at the Commerce Dept., told the New York Times. "Either the indicators are not connected to the economy any more or there may be some blockage here, and I'm inclined to go with the latter explanation."

A companion index, the department's index of coincident indicators, which is designed to measure current economic activity, fell 1 percent in October. Baldrige told newsmen the typical lag between upturns in the leading indicators—or the onset of a recovery—is three to four months.

"I believe that the prolonged lag this time, and the relatively slow rise in the leading indicators as well, was caused by the persistence of high interest rates into the summer," he said. With interest rates somewhat lower now, the housing industry is beginning to recover and "a sustained pickup in sales of new cars and other consumer durable goods can be expected to follow," Baldrige predicted.

Ups and downs

A jump in stock prices and building permits led the October rise in the leading indicators index. Other components contributing to the increase were vendor performance, a rise in the money supply, and a slight decline in initial claims for unemployment insurance benefits.

Four components declined, including new orders for manufactured consumer goods adjusted for inflation, contracts and orders for new plant and equipment, total liquid assets, and sensitive crude material prices.

The length of the average work week in manufacturing was unchanged, and figures on the other component—net business formation—were not available.

Factory orders drop

The decline in the volume of new orders to the nation's factories for durable manufactured goods was particularly disappointing. Down by 4.9 percent in October, these orders are often an important indicator of what lies ahead for the economy. Orders had risen four-tenths of 1 percent in September. The October decline was widespread, including primary metals, electrical machinery, and transportation equipment.

On the other hand, machine-tool orders climbed 37 percent from September's extremely low level, and domestic auto makers reported a 42 percent increase in new-car sales in mid-November.

Congress weighs measures to spur creation of jobs

Continued from Page 1

city areas with promises of tax subsidies and "relief" from government regulations and worker safeguards.

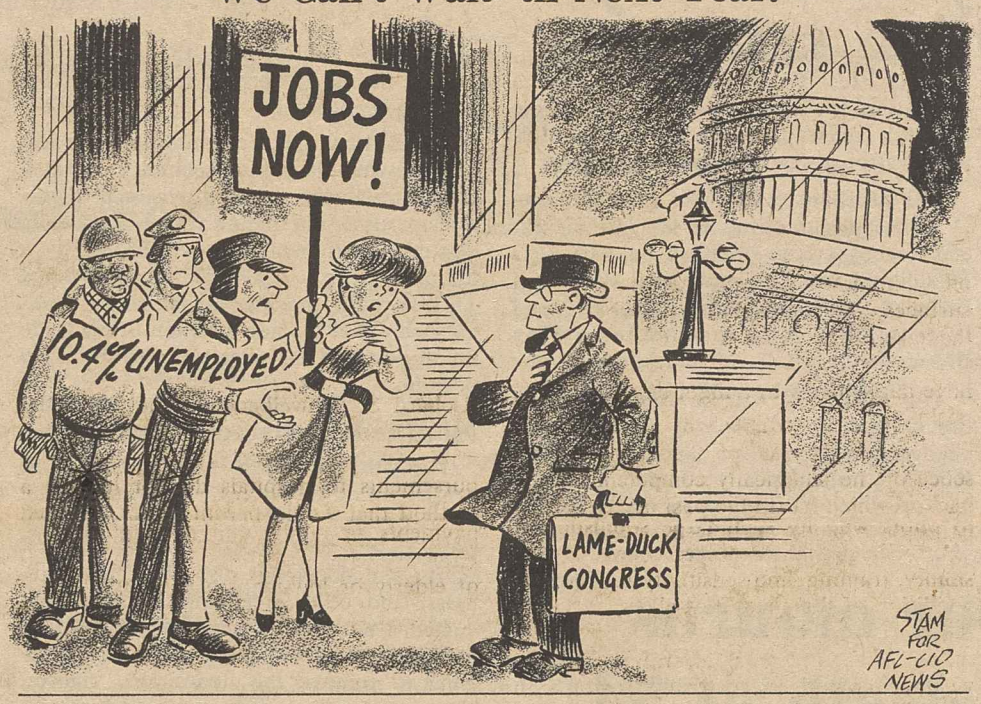
The Democratic jobs package is likely to pick up some Republican support in the wake of an election in which high unemployment proved a potent issue. Rep. Silvio O. Conte (Mass.), the ranking Republican on the House Appropriations Committee, told reporters that he will support an expanded public works jobs bill because "people have suffered enough. They can't wait any longer."

But an early vote on a generally noncontroversial appropriations bill was a reminder that the lame-duck Congress is made up of the same legislators that have gone along with most of the Reagan Administration economic policies.

The House approved virtually unchanged a multibillion dollar appropriations bill funding the Treasury Dept., the Postal Service and a number of independent agencies. It included, incidentally, $208 million more than the Administration had requested for the Postal Service in order to avoid an increase in postage for non-profit mailers and publications.

But as a final step, the House adopted by a 193-172 vote a Republican motion to reduce spending authority by 2 percent except for payments mandated by law.

'We Can't Wait 'til Next Year!'



Soak-poor plans still alive but jobless tax scrapped

Continued from Page 1

House while the President was at his mountaintop ranch.

"To attempt to raise more revenue from the ranks of the unemployed is to punish twice the chief victims of Reaganomics," the federation protested.

Congressional comments were equally critical. Joint Economic Committee Chairman Henry S. Reuss (D-Wis.) protested the implication that people who are unemployed are "goldbricks or loafers," and by the next day the White House was backtracking—but only on the unemployment insurance tax.

After various efforts to downplay the proposal as merely one of many suggestions under study, top White House officials told reporters that it would not be part of an Administration plan to reduce unemployment.

Unemployment insurance payments had been fully exempt from federal income tax before the Reagan Administration. Last year, persons with total incomes of at least $20,000 were taxed on unemployment compensation; this year, Congress dropped the cutoff to $12,000.

Wage-cut options

The subminimum youth wage "options" drawn up by the Administration task force were not spelled out in detail. But press reports indicate that both a lower wage for summer jobs and an employer subsidy for hiring the "hard core" of the unemployed were under consideration. There are already various student exemptions from minimum wage requirements and tax breaks for employers, and the AFL-CIO viewed the further steps under consideration as "more trickle-down economics."

Employers don't need more financial subsidies on top of the "giveaways" already received, the AFL-CIO said. And "the minimum wage has already been eroded by two years of inflation to reduce real income" of those receiving it.

Reagan program tied to continued high joblessness

The Reagan Administration's economic recovery blueprint calls for high joblessness for years to come and disavows the goal of full employment.

It will take five or six years of "moderate and sound" recovery to lower the unemployment rate to a 6 to 7 percent range, according to Martin Feldstein, chairman of the President's Council of Economic Advisers.

The slowness is deliberate, Feldstein indicated. "A faster recovery runs the risk of accelerating inflation," he said in a speech to the Washington Press Club.

Feldstein's analysis reflected none of the optimism President Reagan has been voicing about the pace of recovery.

"I wish I could tell you that I knew for sure that the recovery has begun and that unemployment will soon be declining," Feldstein said. "Unfortunately, though, the economy is still in the ambiguous bottoming-out range of the business cycle."

After two back-to-back recessions, unemployment is 5 million more than at the start of 1980, he noted, and the number jobless for six months or longer has quadrupled.

Feldstein made clear, however, the Administration's disavowal of the 1978 Full Employment & Balanced Growth Act—the Humphrey-Hawkins bill that set a national goal of reducing unemployment to no more than 4 percent.

Inflation threshold

"The notion of full employment is not a meaningful or helpful concept," Feldstein insisted. He said the significant rate is the "inflation threshold level," when a further reduction of unemployment causes inflation to increase. "Economists now generally estimate that the inflation threshold of unemployment is between 6 and 7 percent," he said.

With the "natural growth" in the population and the labor force, Feldstein noted, 10 million more jobs will have to be created over the next six years just to prevent a rise in unemployment.

Continued high unemployment has a silver lining, Feldstein suggested. He predicted that the inflation rate will "continue to decline in the years ahead because the downward pressure on inflation caused by the high level of unemployment will outweigh the upward pressure on inflation caused by the fall in the unemployment rate."

While efforts should be made to reduce "structural unemployment" through measures such as job training, Feldstein said the Administration sees "no justification for public employment projects."

Public Health Association demands new OSHA chief

The American Public Health Association has called for the replacement of the head of the Occupational Safety & Health Administration.

In a resolution adopted at its annual meeting, the 50,000-member organization of health professionals expressed deep concern that worker protections have been "seriously weakened" under Assistant Labor Sec. Thorne G. Auchter.

Without specifically naming Auchter, the resolution charged that OSHA has ignored the statutory mandate of the federal job safety law by failing to develop new standards vital to worker safety and health, cancelling standard development initiated under previous administrations, and weakening or revoking existing standards and regulations.

The APHA also accused Auchter of undermining the ability of OSHA to perform its legislated mission by closing one-third of the agency's field offices and reducing workplace inspections 19 percent and follow-up inspections 69 percent.

The APHA took issue with Auchter's policies granting exemptions from inspections to most workplaces, sharply curtailing investigations of worker complaints, and halting the distribution of information and educational materials on workplace hazards. It specifically cited his refusal to distribute booklets on cotton dust hazards.

One of Auchter's first actions after taking the reins of OSHA was his attempt to halt the implementation of the cotton dust standard developed during the Carter Administration.

The APHA resolution urged Congress and President Reagan to take immediate steps to pursue the development of worker protections launched in previous administrations, reopen the closed OSHA offices and rehire experienced personnel who have been laid off or forced to resign.

It called on Reagan to appoint a replacement for Auchter "who is a health professional dedicated to promoting the health and safety of workers and pursuing policies to achieve this goal."

ILO warning blasts Poland for union ban

Continued from page 1

man rights commission and agencies where this is possible as well as in the Madrid conference where the Helsinki accord is under discussion," Brown declared. He is the U.S. worker delegate to the ILO.

Under the ILO constitution, the projected commission of inquiry would make an official determination of whether Poland is guilty of welching on its international treaty commitments by contravening ILO conventions guaranteeing freedom of association and trade union rights that it has rattified. The case could go as far as the International Court of Justice if the commission's findings are contested.

Addressing the ILO executive body, Gorski "noted with bitterness" what he termed the "tendentious" report of the Freedom of Association committee. But he received no support outside the Soviet bloc for his contention that the ILO was interfering in Poland's internal affairs.

Claim refuted

Heribert Maier of Austria, speaking for the majority of the worker delegates, rejected Gorski's claim that only 700 Solidarity trade unionists were still in prison. "We have information that the number is far higher," he said.

In his statement, Brown said the arrested free trade unionists remained in the "thousands." This denied the Jaruzelski government all "moral or legal right" to enact "so-called labor law," he added.

Brown said the release from detention of Solidarity leader Lech Walesa had given hope that there might be a change in Warsaw.

"But he is still in a straitjacket under the strictest police surveillance with no one allowed to enter or leave his house without a search," Brown noted.

Support for Solidarnosc

Worker delegates to the International Labor Organization's Governing Body pressed for condemnation of Poland's suppression of its trade union federation, Solidarnosc. AFL-CIO International Affairs Director Irving Brown discusses the resolution with other worker delegates. From left, Abdul Issifu of Ghana, Heribert Maier of Austria, Brown and Nangbob Barnabo of Togo.

ICFTU delegation to assess freedom of Turkish unions

Brussels—The International Confederation of Free Trade Unions will send a delegation to Turkey soon to assess the political landscape following last month's approval of a new Turkish constitution.

The decision to send the mission came at a three-day meeting of the ICFTU executive board here attended by AFL-CIO President Lane Kirkland, Vice Presidents Douglas Fraser and Albert Shanker, and International Affairs Director Irving Brown.

The AFL-CIO will be represented on the delegation, which will observe what changes have taken place since the ICFTU's last mission to Turkey in 1981. The mission will study particularly the organization and composition of the democratic labor center, Turk-IS, with an eye toward lifting its current suspension from ICFTU membership.

The Turkish labor organization was suspended when its general secretary accepted a ministerial post in the provisional regime set up after the nation's constitutionally elected government was overthrown by a military coup. The ICFTU suspended Turk-IS until the general secretary relinquished either his new position or his trade union post. He has since resigned the labor position.

Modified provisions

Turk-IS, the oldest and largest labor confederation in Turkey, was instrumental in modifying some highly anti-labor provisions in the new constitution. In its first drafts, the document also restricted civil, press, and other freedoms. Turk-IS conducted a nationwide campaign in the face of great risks from the harsh military regime to remove the undesirable clauses. The constitution, with its modifications, was approved by public referendum on Nov. 7.

The military council governing Turkey, headed by former Chief of Staff Kenan Evran, has pledged to reinstitute a "viable democratic system" according to a specific timetable.

Turk-IS has vowed to hold the Evran regime to that schedule and to press for continued liberalization of the new constitution after a new parliament assumes office.

Talks bolster case for auto content law

Congressional approval of domestic auto content legislation is even more urgent now that U.S. representatives have failed to gain concessions on foreign trade restrictions, AFL-CIO Research Director Rudy Oswald said after reviewing the document adopted at the worldwide conference on trade in Geneva.

"The United States went to Geneva leading a charge for free trade, but discovered it had no followers," Oswald said. "Only the Americans expressed a belief in free trade, while the remainder of the ministers at the 88-nation conference clearly recognized the many restrictions on trade that exist in the real world."

The five-day meeting on the General Agreement on Tariffs & Trade was marked by deep differences on major questions affecting the flow of trade. The document that emerged was more symbolic than substantive in dealing with trade restrictions.

A major setback for U.S. representatives was the rejection of a proposal for GATT participants to phase out investment performance requirements which are in force by law or practice in most of the countries that the United States trades with.

Foreign barriers

Many European countries and most developing nations, along with Canada, Mexico and Australia embrace investment performance provisions that require domestic sources of production or the export of a certain portion of shipments from domestic plants.

In hearings before the House earlier this year, the AFL-CIO pointed out that Australia, for example, has an 85-percent domestic content requirement on autos sold in the country, along with quotas limiting imports and tariffs ranging from 35 to 52 percent, depending on the stage of assembly. Three major U.S. automakers —General Motors, Ford and Chrysler— produce vehicles in Australia under those conditions.

Oswald noted that the GATT ministers also rejected U.S. positions on trading agreements dealing with high technology items and on a new round of negotiations over tariffs in developing countries.

He said the United States did have partial success in its position on import safeguards dealing with quotas and tariffs as well as agreement for new negotiations on service industries, such as transportation, shipping, construction, banking and insurance.

Free world labor mourns Otto Kersten's death at 54

Brussels—A memorial service for General Sec. Otto Kersten of the International Confederation of Free Trade Unions, who died a week earlier, was held here Nov. 24.

The service, attended by members of the ICFTU executive board here for a three-day meeting, honored the German-born Kersten as "one of the great personalities in the history of the international trade union movement."

Attending the ceremony from the United States were AFL-CIO President Lane Kirkland, Vice Presidents Albert Shanker and Douglas Fraser, and Director Irving Brown of the federation's Dept. of International Affairs, all ICFTU board members.

Kersten, who had served as ICFTU general secretary the past 10 years, died Nov. 17, one week before his 54th birthday. His death was due to heart failure following surgery. Private funeral services were held Nov. 20.

OTTO KERSTEN

At its meeting, the executive board appointed John Vanderveken, who had been serving as assistant general secretary, to replace Kersten until an election is held at the ICFTU's 13th World Congress next June in Oslo.

The ICFTU, which is headquartered here, represents 132 free labor organizations in 93 countries and territories with a membership in excess of 84 million. It was founded in 1949 in opposition to the communist-dominated World Federation of Trade Unions. Before the 1955 merger, both the AFL and the CIO were charter members of the ICFTU.

Soviet prison term

Born in Alt-Jessnitz in Germany, Kersten became involved in trade union activities early in life. Shortly before the 1953 East German workers' uprising, he was arrested for belonging to a social democratic group opposing the communist regime and was sentenced to 15 years' forced labor in Soviet prison camps.

Released in 1956, he went to West Germany and worked in the Central Federal Bank in Frankfurt. Four years later, he joined the European Trade Union Secretariat in Brussels. In 1965, the German trade union federation, DGB, invited him to Dusseldorf to undertake the task of rebuilding its international department.

He was elected ICFTU general secretary in 1972 and re-elected in 1975 and 1979. During this time, he worked to further the ICFTU's prestige throughout the world, attaching particular importance to the problems of developing nations, educational problems, and the struggle against poverty.

In an address to the AFL-CIO convention in New York a year ago, Kersten said the ideals which brought about the confederation in 1949 "still hold us together: freedom, peace, and social justice."

Economic aid for Costa Rica pressed as vital to stability

The AFL-CIO called on the Reagan Administration and the governments of other countries of the industrialized free world to help Costa Rica extricate itself from severe economic difficulties.

"Democratic Costa Rica has enjoyed a singular climate of freedom and prosperity in an area of the world where non-democratic regimes, guerrilla warfare, and urban terrorism are the rule rather than the exception," a federation statement observed.

"Today, high energy import costs and a precipitous decline in the price of agricultural exports have seriously strained the small Costa Rican economy.

"These difficult economic circumstances, together with disturbances along Costa Rica's undeveloped northern frontier with Nicaragua and the recent occurrence of urban guerrilla activity, threaten the political and economic stability of the country," the AFL-CIO warned.

Because of the financial troubles, Costa Rica's government headed by President Luis Alberto Monge has been forced to implement a series of austerity measures and is working to qualify for loans from the International Monetary Fund. Monge discussed his country's difficulties with AFL-CIO President Lane Kirkland at a meeting at federation headquarters on Nov. 3.

Costa Rica's problems were sure to come up this weekend when President Reagan stops over in San Jose on his current Latin American swing for talks with Monge.

Limited U.S. aid

Under Reagan's proposed Caribbean Basin Initiative, Costa Rica would receive some $70 million in soft loans. But, as the AFL-CIO pointed out, that amount would only begin to address the nation's economic problems.

Small programs for the integrated regional development of agrarian industry in Costa Rica's northern provinces bordering Nicaragua have been initiated by the Monge government. And plans for land reform, already widespread, are expected to develop the country's potential even more. The new programs also seek to expand the country's fishing industry.

EDITORIALS

Making Real Work

PRESIDENT REAGAN'S excuse for opposing a more extensive public works program than the highway repair legislation he rather belatedly endorsed fails to convince.

Putting people to work rehabilitating housing projects or repairing deteriorated railroad roadbeds would be "make-work," the President tells us, and would not produce "real jobs." And anyway, the recession will surely be over before a large-scale public works program could make a contribution to economic recovery.

This judgment, of course, comes from an Administration that in its first two years has been consistently wrong in its economic forecasts, has dismantled the safety net of public works and public service jobs programs, and has insisted that the only medicine an increasingly sick economy needed was more tax giveaways to the wealthy.

The nation's unemployment rate would not now be in double digits if the Administration had not been blinded by its own rhetoric.

Even as the President argues that any job stimulus would come too late, the chairman of his Council of Economic Advisers tells us in an unusually frank speech that it is likely to be five years or more until unemployment comes down even to the 6 to 7 percent range. It wasn't all that long ago that a 5 percent unemployment rate was recognized as cause for concern.

Just as highway potholes, weakened bridges and antiquated mass transit systems need upgrading, so do the other elements of our country's infrastructure. And if it is make-work to make abandoned housing liveable for families that need shelter, why by all means let's make more of it.

There is work to be done—real work. And there are people who are jobless—real people and too many of them.

What are we waiting for?

'Free' Trade Fallacies

IS THERE any other country in the world that has been as blind to the damage that a one-sided "free trade" policy has done to its economy and to its workers?

No one takes it amiss that American auto manufacturers are producing cars in Australia because of that country's domestic content law. But, somehow, a domestic content law that would encourage Japanese auto manufacturers to build in the United States the cars they sell to Americans is "protectionist"—a dirty word in the vocabulary of those who learned their economics from a 50-year-old textbook.

All we need to stay competitive, it is suggested in some quarters, is weaker unions, lower paychecks and fewer benefits.

But low textile wages and non-union runaway firms in segments of the clothing industry didn't stop an exodus of manufacturers to countries paying even lower wages. Nor did "free trade" prevent the indirect export subsidies that enabled other countries to penetrate U.S. markets or the red tape that somehow blocked attempts by American firms to sell products abroad.

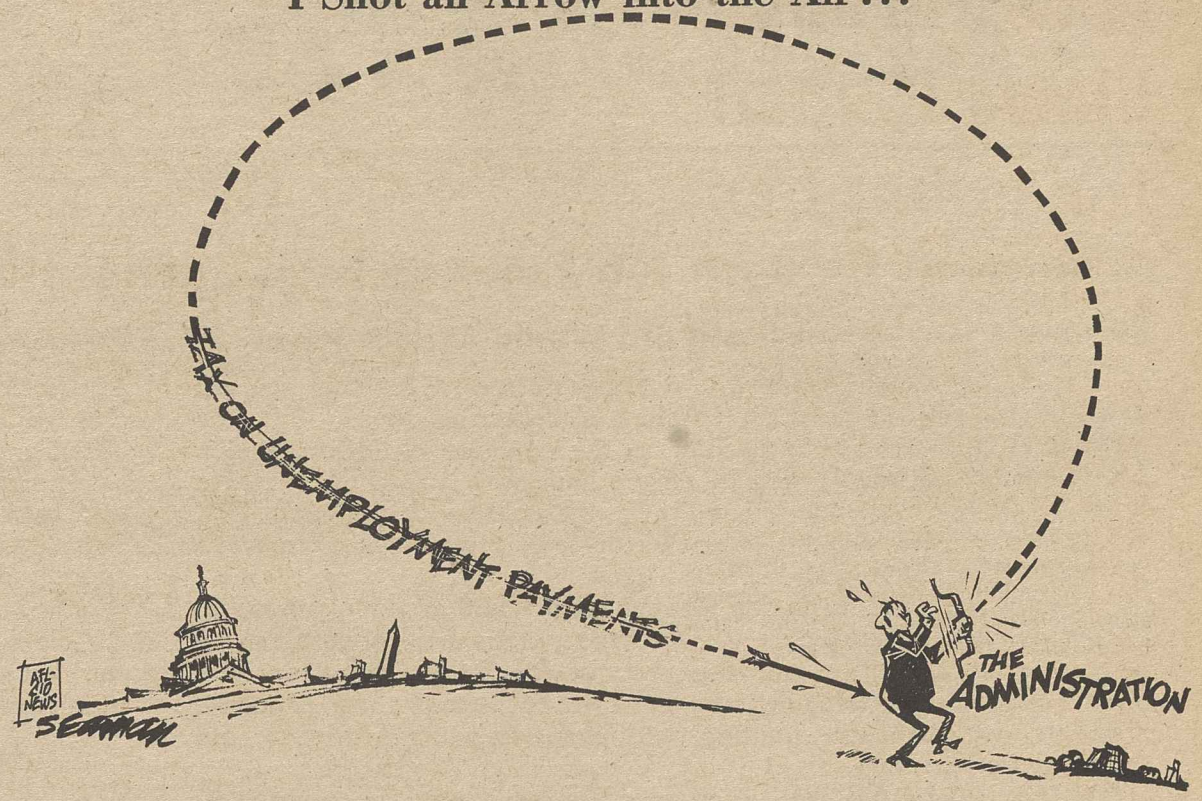
IN ADDITION, the Reagan Administration must accept responsibility for the tight-money, high-interest policy that has distorted the value of the dollar in international trade. The Treasury Dept. has balked at joining international efforts to set currency values among trading nations at realistic levels.

Two years ago, an American wage of $10 an hour and a Japanese wage of 2,200 yen an hour were equivalent. But today, because of the artificially high exchange rate for the American dollar, that same Japanese wage is only $8.08 in U.S. dollars—some 20 percent less.

That means in trading terms that a Japanese car imported to the United States can be profitably sold at a 20 percent discount just because of lowered currency values. Likewise, American goods sold in Japan cost 20 percent more—even before all of the other trade restrictions.

The solution obviously is not a 20-percent pay cut for American workers.

'I Shot an Arrow into the Air . . .'



Washington Window

Needy children victimized by cuts in school lunches

By Press Associates, Inc.

In April 1981 President Reagan's budget director, David Stockman, asked Congress to cut the school lunch program. He assured members the cuts would not force schools and middle-class children out of the program and "truly needy" children would not suffer.

Congress believed him and cut the school lunch program 30 percent for fiscal 1982, which ended Sept. 30.

Savings of some $1 billion were achieved by decreasing cash and commodity subsidies for upper- and middle-income children's lunches by tightening eligibility requirements for reduced-price and free lunches.

Now the Agriculture Dept. reports that more than 2,700 schools have dropped the program and some 3.2 million fewer students participated in the program in the past year. Almost 40 percent of these students are from low-income families, according to the USDA.

The USDA study results give child nutrition experts and advocates the right to say, "I told you so."

Warnings unheeded

They had argued that decreased federal subsidies would leave many schools unable to afford to keep up the program's nutritional requirements and, if not saved by increased state or local funds, these schools would drop out, eliminating poor and non-poor alike. They also warned the cuts would force up school lunch prices and, consequently, many middle-class families would reconsider keeping their children in the program.

Administration officials, true to their rosy scenario policy, said that despite the program dropouts, there is still a "very large school lunch program."

Lynn Parker, a nutritionist with the non-profit Food Research & Action Center, observed that since the Administration is talking about more than 3 million children, it is "pretty callous" to gloss over the drop as inconsequential. She pointed out that the current deep recession should have increased eligible participants in the program, but instead the numbers are shrinking.

Drop in nutrition

A FRAC study released about the same time as the USDA study shows the serious impact of the cuts on child nutrition, which has been the point of the program since its inception in 1946.

In its survey of 44 states and 27 schools, FRAC found that children in the school lunch program ate substantially more nutritious meals than those not in the program.

For example, in elementary schools with the program, 91 percent of the children eating school lunches had milk, 99 percent had fruit or vegetable juice, 31 percent had chicken or fish, 75 percent had a vegetable, 65 percent had fruit and 23 percent had cheese.

Of children not in the school lunch program, 50 percent had milk, 8 percent had juice, 12 percent had chicken or fish, 14 percent had a vegetable, 28 percent had fruit and 16 percent had cheese.

The drop in nutrition is especially harmful for the more than one million low-income students who no longer receive school lunches because, as FRAC said, studies have shown these children depend on school lunches for one-third to one-half of their daily intake of vitamins, minerals, protein and calories.

It is to be hoped that the new Democratic strength in the House will spur the incoming 98th Congress to another consensus—to restore cuts to child nutrition programs that also are clearly in the national interest.

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LEGISLATIVE ALERT!

Congress Returns: Job-Creating Legislation is the Top Priority for the Lame-Duck

Reagan's Caribbean Basin Bill Would Export Jobs

Republicans and Democrats in Congress are saying that the top priority for the lame-duck session is restoring jobs. But the Reagan Administration is pushing in the opposite direction, asking for quick action on its bill to ease imports to the United States from Caribbean nations. The Reagan Caribbean bill, H.R. 5900, would speed the export of U.S. jobs, and would not improve conditions for Caribbean workers.

The major proposal in the Reagan plan would give multinational corporations from any part of the world tariff-free access to the U.S. if only 25 percent of the product was of Caribbean origin. This would allow our chief competitors to funnel their products through the Caribbean, hurting U.S. industry while failing to help Caribbean industries.

WHAT YOU CAN DO: Urge your Representative to reject H.R. 5900, the Caribbean Basin bill. (Sample message below).

Dear Representative _____:

H.R. 5900, the Reagan Administration's Caribbean Basin Initiative, would aggravate harm to U.S. industries and hasten export of U.S. jobs, and it would not provide economic aid to Caribbean industries and workers. The major beneficiaries would be multinational corporations which could funnel their products through the Caribbean in order to receive trade privileges.

I urge you to take action to save U.S. jobs, not destroy them. Please vote against H.R. 5900, the Caribbean Basin bill, if it should reach the floor.

Sincerely,

_____

Domestic Content Bill Would Restore Jobs

The election returns have brought Congress back to Washington in a frame of mind to take a major step toward halting the export of U.S. jobs.

The domestic content bill for the U.S. auto industry is one of the major attempts by Congress to save a core domestic industry. This legislation would tie a company's level of auto sales in this country to the percentage of required U.S.-made components in the vehicle.

While President Reagan criticizes any attempt to deal with the increasing problem, the U.S. now imports $40 billion more annually than it exports.

WHAT YOU CAN DO: H.R. 5133, the domestic content bill, may come to a vote on the House floor during the lame-duck session. Urge your Representative to vote in favor of this bill.

Job-Creating Highways Bill Is Good, But Not Enough

The AFL-CIO welcomes legislation to put an estimated 320,000 Americans back to work maintaining and repairing the nation's highways and bridges. This legislation is expected to achieve passage easily in the lame-duck session.

But the Federation cannot support the Reagan-backed tax hike to finance this program, a nickel increase in the federal gasoline tax, to 9 cents per gallon. A fairer tax would be to cap the 1983 cut at $700, which would help all families earning $45,000 or less per year.

Furthermore, this legislation is only a start toward restoring jobs. Other job-creating bills are expected to be attached to a continuing funding resolution.

WHAT YOU CAN DO: Ask your legislators to support all job-creating bills, including home mortgage subsidies and bills to provide maintenance and repair of the public "infrastructure."

Union-Buster Van de Water Forced To Resign, But Reagan's New Nominee for NLRB Is No Better

Because of union members' strong opposition, President Reagan's appointment of union-buster John Van de Water for chairman of the National Labor Relations Board failed to win confirmation in the Senate. Thus Van de Water was forced to resign.

But Reagan's new appointment for NLRB chairman, Donald L. Dotson, is no better, and the AFL-CIO will urge the Senate to reject the new nominee as well. As Assistant Secretary of Labor, Dotson hired as a top aide a former attorney for the National Right to Work Committee, the employer-financed outfit that fights union security laws. Previously, Dotson served as a labor relations attorney for Wheeling-Pittsburgh Steel Corp., Westinghouse, and Western Electric. Dotson's career as a management lawyer does not prove him to have impartial views regarding unions.

After the Reagan Administration announced the nomination, several international unions reported that their dealings with Dotson as a management lawyer showed him to lack impartiality. Any union representative who has had professional contacts with Dotson should notify the AFL-CIO Legislative Department.

New Reagan Turkey: Tax Unemployment Benefits

Now that Reaganomics has pushed the unemployment rate to a post-war high of 10.4 percent, Reagan refuses to take any responsibility for the state of the economy. He blames Democrats, he blames previous Presidents, he blames everyone but himself.

At Thanksgiving the Administration tried a new tactic--blame the victims, the 11.6 million jobless Americans. Reagan advisors came up with a plan to tax unemployment benefits. Currently most jobless benefits, because they average only $115 per week, are exempt from federal tax.

A Reagan spokesman said that taxing unemployment checks would make unemployment "less attractive," and "a lot of people would get off unemployment and seek jobs." He was echoing U.S. Chamber of Commerce President Richard Lesher, who said the way to reduce joblessness is to "make it less attractive for people to sit on their ass."

The callous Reagan proposal came under heavy fire and was dropped only hours after it was announced. But the Administration did not drop its other bad ideas to solve unemployment, such as creating a sub-minimum wage, or giving more tax cuts to corporations. They'll probably push them at Christmas.

End-of-Session Wrap-Up of Major Labor Issues

SUCCESS! BALANCED BUDGET AMENDMENT BEATEN DECISIVELY IN THE HOUSE

Labor won one of its biggest victories on Capitol Hill as the House of Representatives rejected the Constitutional amendment to force balanced federal budgets. The 236-187 vote was far short of the two-thirds majority required to change the Constitution.

The AFL-CIO objected to the budget measure on the grounds that it would force enormous cuts in Social Security and all other programs, would prevent Congress from taking action to stop recession and restore jobs, and would write Reaganomics into the U.S. Constitution.

The balanced budget fight now moves to the states. Already 31 states have passed resolutions calling for a Constitutional Convention to consider a balanced budget amendment. If three more states do so, we could face the first such convention since the founding fathers met to draft the Constitution.

IMMIGRATION REFORM: The Senate has passed an immigration reform bill; the AFL-CIO is supporting H.R. 6514 in the House only on the condition that an amendment to limit the "H-2" program receive majority support before H.R. 6514 goes to the floor. "H-2" allows for importation of temporary foreign workers.

LONGSHORE WORKERS' COMPENSATION: The House Education and Labor Committee is conducting hearings on amendments to the Longshoremen's and Harbor Workers' Compensation Act. The bill under consideration in the House includes major improvements over the Senate-passed bill. There may be too little time in the lame-duck session to achieve House passage and conference.

"REGULATORY REFORM": The Senate has already passed legislation that could delay federal agencies as they try to implement and enforce laws passed by Congress. The AFL-CIO is urging the House leadership not to take up this complex legislation in the brief lame-duck session.

NATURAL GAS PRICES: Despite a glut of natural gas and lower producer prices, the cost of natural gas to consumers could jump as much as 60 percent in some parts of the nation this winter because of unfair deals forced upon pipeline operators by gas producers. Yet the Reagan Administration remains committed to speeding decontrol of gas prices, allowing even greater windfalls for the major oil companies. Urge your Representative and Senators to oppose faster decontrol of natural gas prices.

AFL-CIO news

SATURDAY
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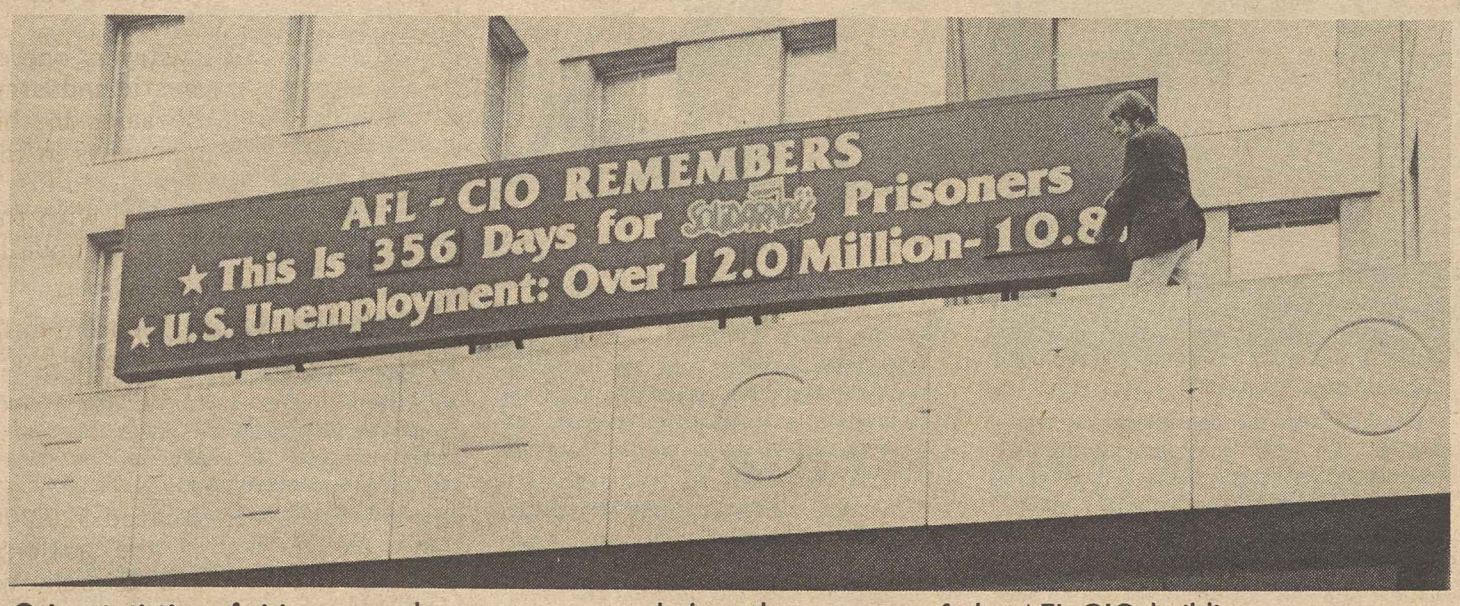
MEMO FROM COPE
PAGE 12

House votes highway, transit bill



Grim statistics of rising unemployment are recorded on the marquee of the AFL-CIO building.

10.8% rate 'shocking'

Kirkland asks action as jobs crisis mounts

By James M. Shevis

The numbers from the Bureau of Labor Statistics told only part of the story: November unemployment, at 10.8 percent of the workforce, was at its highest level since 1940 when the average for the year was 14.6 percent.

Officially, 12 million Americans who looked for work last month could not find it. But added to that were 1.6 million jobless workers who were too discouraged to look any longer and about 6.5-million others working shorter hours than they would like. Neither group is factored into the government jobless rate.

AFL-CIO President Lane Kirkland described last month's sharp, four-tenths of 1 percent increase in unemployment as "shocking" and evidence that the economy is continuing its downward plunge.

Kirkland called on Congress to act immediately to alleviate the human suffering by passing jobs-creating legislation in addition to the highway bill pending in the current lame-duck session.

"Programs are already on the books that could produce one million jobs quickly and directly and ultimately help many more Americans," he observed. "All these programs require is funding.

"To wait two months until the new Congress gets down to work is to deny any hope to the millions of jobless Americans facing a bleak holiday season."

There was a consensus among both private and government economists that the unemployment rate—a "lagging indicator" of the state of the economy that responds to improving conditions later than other indicators—would probably go higher before it starts to come down.

"I have no crystal ball," Kirkland told reporters, "nor do I have any confidence in those who behave as though they did have crystal balls. All one can do is project past trends. In the absence of any concrete steps to turn it around and to interrupt that trend, it's going to get very, very bad. Much, much worse."

Two-month surge

Kirkland noted that unemployment has risen seven-tenths of 1 percent, or about three-quarters of a million people, in the past two months alone.

"The 10.8-percent jobless rate in November," he observed, "should finally silence those who have been painting rosy pictures of recovery."

Kirkland cited a list of economic stimulus programs already federally authorized and needing only funding that could put people to work immediately. These include urban and community development block grants, low-income weatherization

Continued on Page 9

Deep recession heightens need for extended aid

The duration and severity of the Reagan Recession has made further extension of jobless benefits for the long-term unemployed a matter of utmost urgency, the AFL-CIO testified at House hearings.

Cutbacks in the extended unemployment compensation program that Congress imposed last year have pushed America's jobless "to the brink of economic disaster," AFL-CIO Social Security Director Bert Seidman told a House Ways & Means subcommittee.

Seidman, joined by Associate Legislative Director Robert McGlotten, welcomed a bill introduced by Subcommittee Chairman Harold E. Ford (D-Tenn.) as "a considerable step" toward easing the hardships of some 2 million persons who have been jobless more than six months.

The legislation would build on the temporary program of federal supplemental benefits that Congress set up to run from last September to Mar. 31, 1983. That program provided 10 weeks of additional payments in states with the highest unemployment rates, and either six or eight weeks in other states.

The Ford bill would allow everyone who previously exhausted the benefits of that program an additional five weeks. For those who had not, the six, eight and 10-

Continued on Page 4

Democrats seek added job stimulus

By David L. Perlman

A much-needed highway and mass transit bill capable of creating more than 300,000 new jobs passed the House by a 262-143 vote and seemed bound for Senate approval.

Still uncertain was whether other equally essential components of an economic recovery package would clear Congress during the final days of the lame-duck session.

House Democrats are putting together the ingredients of an anti-recession package to be tacked on to a "must-pass" funding resolution for government agencies.

The Senate Democratic caucus started down a different path with a proposal to expand the highway bill into a larger-scaled jobs program—including such elements as a $2 billion public works program, public housing rehabilitation and job retraining. The entire program would be funded by phasing down next July's income tax cut for persons making more than $50,000 a year.

By contrast, the House-passed highway and transit bill is funded through a 5-cent-a-gallon increase in the federal gasoline tax.

The AFL-CIO would prefer the Senate Democratic version, Legislative Director Ray Denison made clear. But it nevertheless vigorously supports the basic highway-transit bill and is not opposing the gasoline tax rise because the need is so great.

Pressing problem

"Record unemployment and deteriorating highways and transit facilities are problems that cannot wait until the new Congress gets down to work next year," Denison wrote House and Senate members.

His letter urged "full retention" of Davis-Bacon Act coverage provided in the similar bills cleared by House and Senate Public Works Committee. It opposed any attempts that might be made to weaken existing labor protections for transit workers. And it urged that the bills be improved by stronger "buy American" provisions.

In the House, the Davis-Bacon safe-

Continued on Page 2

'Victimizing workers'

Health benefit tax scheme scored

By Susan Dunlop

The AFL-CIO is firmly opposed to a proposal floated by the Reagan Administration to slap a tax on workers' health insurance benefits.

Karen Ignagni, assistant director of the federation's Dept. of Social Security, called the plan to tax workers for a good part of health care benefits paid by employers "another way of victimizing workers and their families."

Ignagni said such a tax would "reduce health care coverage, do nothing to control soaring medical costs, and it represents an unnecessary government intrusion into the collective bargaining process."

Trial balloons floated by the Administration call for placing a limit on tax-free employer contributions to the health insurance coverage of their workers. Currently, employers can deduct this cost as a business expense, yet it is not considered part of a worker's taxable income.

The scheme being pushed by the Administration and some of its supporters in Congress would cap the amount an employer could pay in tax-free coverage. Workers would be required to pay income taxes on employer payments beyond the specified ceiling.

Flawed proposal

When the plan surfaced earlier this year, AFL-CIO Legislative Director Ray Denison called it "an inequitable way to raise revenues." In a letter to Senate Finance Committee Chairman Robert Dole (R-Kan.) Denison said the change would "disrupt" labor-management relations by forcing the reopening of agreements and "unduly influencing future negotiations."

Besides meddling in collective bargaining, Denison said, the proposed tax scheme would penalize workers in areas where medical costs are higher and discriminate against employees in groups with large numbers of older workers.

He pointed out that the tax would actually lead to a loss of insurance for many employees, who would be under pressure to choose lower cost, minimal coverage health plans. Workers would also be discouraged from joining health maintenance organizations and from obtaining preventive care, diagnostic services and early treatment, he said.

Contrary to the Administration's claims, the tax scheme would "do nothing to control soaring medical costs," Denison charged.

Continued on Page 9

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12/11/82

Management consultants

The union-buster's shadowy world

Meet the management consultant.

It's not easy, because he plies his trade in the recesses of the anti-union structure, invading the workplace under management's cloak.

You can feel his presence with the dissension and fear he creates. But you seldom know who he is.

He wants it that way.

Typical is Alfred T. DeMaria, a high-priced specialist in contriving union decertification elections. Profiled recently in the Washington Post, DeMaria prefers that unions don't know he's on the scene.

"I don't want the union to have the political advantage," he is quoted as saying. "They will tell the workers, 'Look, the company hired this guy from New York City.' I try not to let the union take that potshot at me. I don't think it's fair."

Yet DeMaria and the legion of 1,500 practicing union-busters think it's fair to advise employers on how to sidestep, circumvent and stretch the labor law to prevent workers from exercising their free choice of union representation. Employer violations of worker rights continue to soar.

Second of a series

There are no ground rules for union-busting campaigns. They're tailor-made for employers, whether in fighting union organizing, resisting a contract agreement or in fomenting union decertifications.

Common elements

But they have three common elements, according to the House Subcommittee on Labor-Management Relations which investigated management consultant activities some years ago:

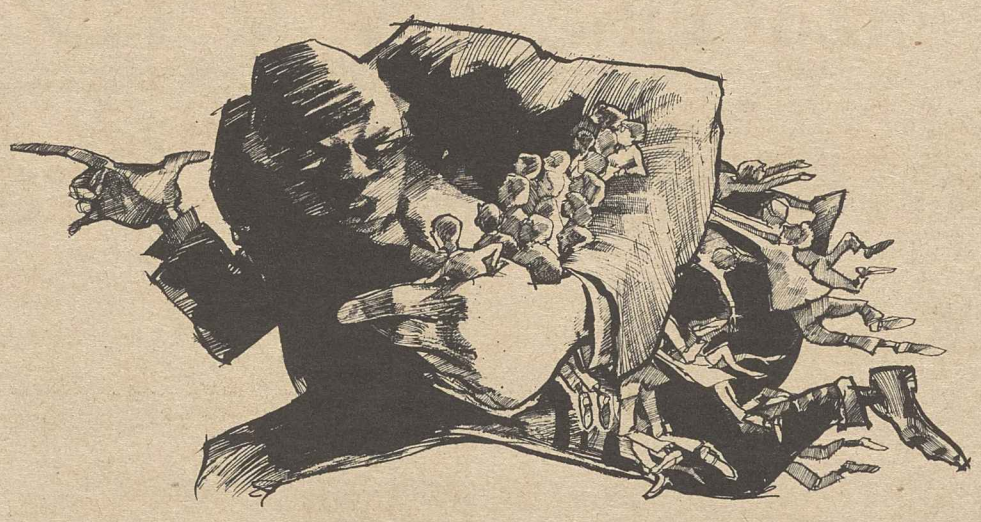
- Their principal agent is the "frontline" supervisor who carries out consultant strategies. In day-to-day contact with employees, the supervisor pushes the campaign while ferreting out employee sentiments to relay to management.
- Under the guiding hand of the consultant, the supervisor controls workplace communications, spreading management's message while keeping employees from hearing the union side.
- Behind the scenes, the consultant manipulates the campaign through delays and discharges to keep workers from exercising their rights through representation elections or collective bargaining agreements, despite the fact the federal law encourages these processes.

Supervisor's role

The frontline supervisor "is probably the most important aspect of the consultant-led campaign," the panel found.

From the supervisor, the consultant develops a "detailed, in-depth picture of just how each and every employee is likely to vote. The data, which can be updated frequently, is invaluable in designing and orchestrating the anti-union campaign."

With this information, the subcommittee report explains, the consultant "develops issues designed to capitalize on the employees' greatest concerns . . . weaknesses in the union's position are exploited and strengths attacked."



By this time, the consultant has transformed "the work environment into one of great anxiety and pressure which workers associate with the presence of a union."

When workers persist in their determination, the consultant tries to manipulate the law to avoid fair elections. Union supporters are fired, and each legal decision against the employer is appealed.

Justice delayed is justice denied, and the remedies of the National Labor Relations Act are insufficient to prevent this from happening.

The subcommittee found that consultants "lead" employers into violations "since the monetary cost of any possible legal liability is less than it might be if they had to deal with an organized workforce."

Each management consultant firm has its own techniques and strategies. Some are less subtle than others, but typical are these examples of several of the more notorious consultant firms.

'Biggest in the business'

Modern Management (MM), based in Deerfield, Ill., is a nationwide company best known for working with hospitals but with a broad clientele in insurance, manufacturing, retailing, banking and among universities. MM describes itself as "the biggest firm in the business."

It is also one of the most flagrant in giving advice to employers who end up violating the law. MM's campaign for St. Elizabeth's Hospital in Boston several years ago was typical: 38 unfair labor practice charges against the employer, including threats, intimidation, interrogation, surveillance, suspension and discharges for union activity.

Periodically, MM outlines its strategy for employers in management seminars, as it did in coast-to-coast sessions presented by Professional Seminar Associates on "Avoiding Unions."

When facing an organizing campaign, MM warns employers that "union attitudes" can be found among those with sympathy for the underdog or favoring "liberal causes," or active in tenant and consumer rights groups.

MM drafts a letter over the signature of the chief executive, explaining the company position in an effort to "impede, and if possible, defeat union efforts to obtain a showing of interest."

"The point," according to MM strategy, "is to spar aggressively and exploit opportunities without creating more interest in the subject than the situation requires."

MM tells management that workers should not be expected actually to withdraw union support as a result of these tactics. Rather, "the impression can be created that some employees actually want to withdraw, then doubts in the minds of others may be raised about the solidarity of existing union support."

Hand-carried messages

To make certain the messages reach the employees, MM advises they should be "personally hand carried by the supervisor to employees on work time, at their work stations."

As the campaign progresses, MM has a tactic it calls "counterpunching," which is to "create doubt in the minds of employees about the union's credibility and to remove doubts, if any, about the employer's temerity."

Supervisors, in MM's terminology, are "precinct captains . . . not neutrals, not spectators, they are involved."

MM strategy calls for isolating the union committee and union supporters. They are harassed and threatened with unsatisfactory work records, with verbal and written warnings, suspensions, and as a last resort, discharges.

When it finally comes to an election, MM tells management to seek as large a unit as possible, aiming at a ratio as low as one supervisor for each 10 employees. And then the stall when the NLRB processes begin:

"As a rule of thumb, go to a hearing—don't consent to an election," MM advises. "Time works on your behalf. Let them know you are prepared to go to a hearing." However, "if you get the time you want and the unit you want, then go for a stipulated election."

West Coast Industrial Relations Association (WCIRA) favors "ventilation meetings," described in a Los Angeles Times article a few years back:

"They were captive-audience meetings in which workers were called in during working hours, off the job, and they went into a room where they met one of the representatives of the West Coast Industrial Relations Association. In the first round they took people in groups from 8 to 12 to 15 at a time and meetings lasted from an hour to two hours. It took them a week to run almost all of the 800 employees through these sorts of meetings."

Mostly, the sessions elicited employee complaints about company personnel practices, with the WCIRA representatives indicating nothing could be done about it because of a pending union election.

Management promises

"They left it," the article said, "with a very strongly implied promise that if the people voted against the union the company was going to make improvements and changes concerning the problems that they heard employees raise."

In promoting decertification, another union-busting firm—University Research Center—favors probing deeply into employee sentiments: "To uncover employee thinking requires a sophisticated system of employee interviews and remedial response. . . . It has to be a systematic effort, continuous and handled with care.

"This is also the basic method used in all successful union-avoidance efforts, our research indicated. It is always wiser to strive to avoid unionization than attempt to decertify a union once it is in place."

When they aren't supplying union-busting strategy in company campaigns, consultants are selling their wares through seminars, usually running from one to three days and starting at a minimum $300 daily rate.

Here are some of the standard seminar subjects and sponsoring consultants:

"Making Unions Unnecessary" and "The Process of Decertification," Executive Enterprises; "Defending Union-Free Status," Criterion Development; "Update—Staying Union-Free," Western Carolina Industries; "Avoiding Unions," Professional Seminar Associates.

Ties to academia

To give greater legitimacy to their seminars, consultants frequently tie in with colleges and universities. Among those identified with courses on how to defeat or decertify unions are the University of Denver Law School, the Delaware Law School, the University of Baltimore School of Business and the University of Wisconsin Extension School.

"Seminars give the participants only a taste of what they might expect if they avail themselves of the more complete services of the seminar leader," the subcommittee report states. "They create the impression that the safest and best means of avoiding unionization is to hire the consultant."

House approves highway repair, mass transit measure

Continued from Page 1

guards were preserved by the defeat of three anti-labor amendments, no effort was made to weaken transit worker protections, and the "buy American" language was significantly strengthened.

For the first time, the highway bill specified that virtually all construction materials—including steel, cement and manufactured products—must be produced in the United States.

The labor-supported amendment offered by Rep. Douglas Applegate (D-Ohio) and adopted without a rollcall vote also tightens the preference for American-made buses and subway cars.

As passed, it requires that at least 50 percent of the cost of the component parts of the rolling stock be of domestic origin and that final assembly take place in the United States. The labor costs of the final assembly aren't counted toward the domestic share of the components.

Applegate and other supporters of his amendment argued that with unemployment so high, it would make no sense to use money earmarked for the program to buy goods abroad. For every $1,000 of domestic procurement, Applegate noted, $552 is returned to state, local and federal governments in the form of taxes on incomes, profit and social security.

The Administration has opposed such provisions, and a battle on the issue was anticipated in the Senate.

The imbalances between the states whose residents would pay disproportionately high amounts of gasoline tax and the states with proportionately more highway mileage than people almost sideswiped the legislation. But a compromise adopted by the House eased the problem by assuring that no state would get back less than 85 percent of its gasoline tax contribution. Other disputes have involved authority to run heavier and wider trucks on highways in exchange for new trucking taxes.

The gasoline tax, which would take effect Apr. 1, 1983, would raise about $5.5 billion in its first full year.

In another area of labor concern, the House Banking Committee is moving ahead with a housing authorization bill that would continue some programs the Administration wants to drop, add some new measures including a mortgage foreclosure assistance provision, and stay within budget limits that Congress has imposed.

A simultaneous effort was being made through the appropriations process to assure full funding within budget resolution limits of all assisted housing programs that have already been authorized. The AFL-CIO was among 13 national organizations, including federations of city, county and state governments, that joined in a memorandum to members of the House Appropriations Committee urging programs carrying $9.7 billion in new spending authority.

The Administration's labor-opposed Caribbean Basin Initiative tariff provisions seem to have been stalled in the House and there appeared to be no push behind the urban enterprise zone proposal touted by the President.

In an alert to senators, the AFL-CIO expressed opposition to a change in the federal bankruptcy law being pushed by the consumer credit industry. Its enactment, the federation said, would fall most heavily on recession victims who have been burdened by debts they can't pay off because of long unemployment.

Donahue tells conference:

Government role vital in restoration of cities

Providence, R.I.—America can't prosper if its cities are allowed to die, AFL-CIO Sec.-Treas. Thomas R. Donahue warned at a public affairs conference sponsored by Brown University and the Providence Journal.

Today's "shame of the cities" is neglect and decay, rather than corruption, Donahue insisted. He cited a pattern of collapsing streets, broken water mains, chronic breakdown of buses and subways, the understaffing of essential public services.

Even more damaging, he said, has been the abandonment of the concept of government as a "creative force" that "does for individuals what they can't do for themselves."

Donahue was one of nine nationally prominent speakers taking part in the three-day exploration of the plight of America's cities held on the Brown University campus. Participants ranged in viewpoint from Housing & Urban Development Sec. Samuel Pierce, Jr. to the Rev. Ralph Abernathy, the civil rights activist, and included the mayors of Detroit and Indianapolis, economists and urban planners.

"Without cities, you cannot have civilization," Donahue said. "The city is the exchange center where every kind of human enterprise finds its market and every sort of talent finds its showcase."

Cities have always been an annoyance to the world's rulers because "people get together there and discuss their grievances and try to devise remedies."

Donahue faulted the Reagan Administration's neglect of America's cities and its insistence that government should do as little as possible and rely on the forces of market economics.

Administration cuts

In fact, he stressed, the Administration has been providing big tax cuts for private business at the same time that it has been making huge cuts in public investment. But instead of producing jobs, the private sector has used the money for speculation that has forced up interest rates to the near-destruction of the automobile and housing industries, Donahue charged.

Meanwhile, he said, government has failed its responsibility to the education, health and housing needs of its people.

While unemployment has mounted to depression levels, the big difference in the 1930s was that President Roosevelt had Congress put "all of the resources of government into the struggle to stabilize and restore the economy," he said.

"The New Deal did the obvious, sensible thing in matching unemployed people with work that badly needed to be done, and the country has been a better place to live ever since," Donahue noted. The parks and playgrounds, highways and bridges, museums and zoos "have paid for themselves a hundred times over."

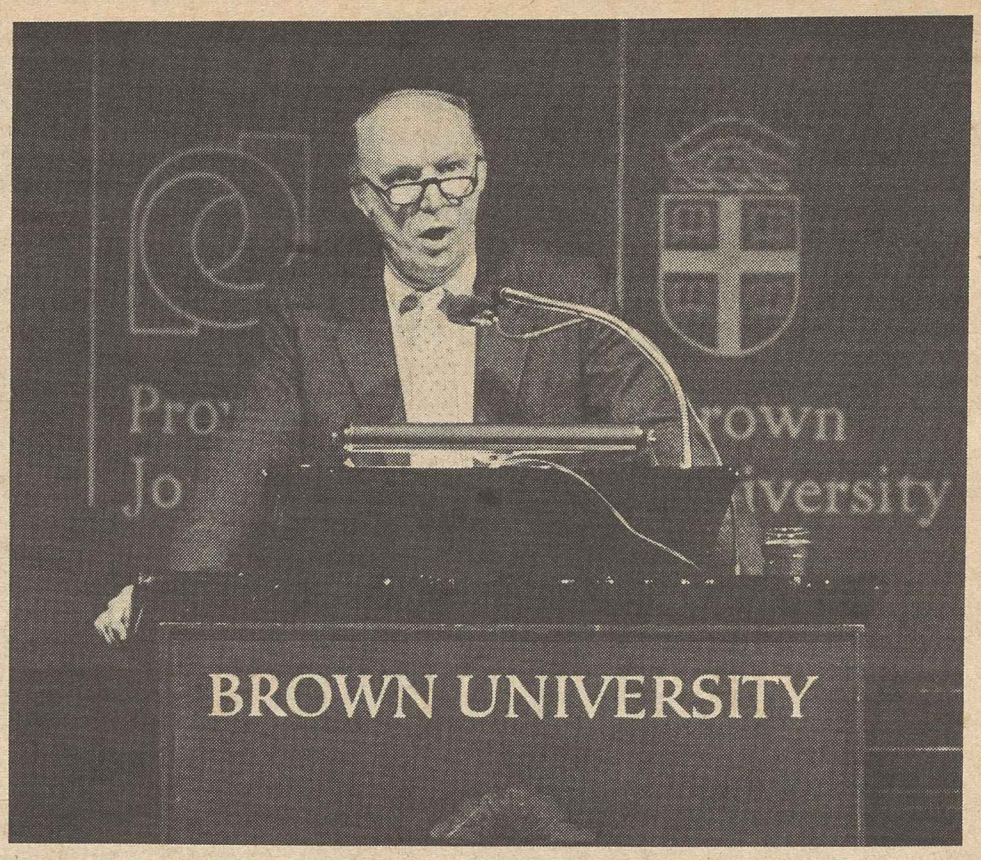
By contrast, Donahue said, the Reagan Administration's "enterprise zone" proposal of tax breaks and giveaways to attract low-paying firms from one depressed area to another "would not create any new jobs and therefore would create no new customers, no incentives to expand production."

Labor's program for economic recovery does not rely solely on government, Donahue reminded the conference participants. It includes "investment from every source, including union-negotiated pension funds which are often cited as the largest single pool of private investment capital."

Development and revival

He stressed the need to develop new industries and modernize older ones, to build both public and private housing and to shape tax policies "based on ability to pay rather than ability to extort favored treatment."

The role of government must be defended and praised, Donahue urged. "We ought to put an end, once and for all, to mocking it, debunking it and weakening it."



AFL-CIO Sec.-Treas. Donahue explores the crisis of the cities.

Coalition pushes U.S. processing of farm exports

A union-industry coalition is rallying support for a congressional resolution aimed at expanding the processed product share of American agricultural exports and curbing unfair trade practices of U.S. competitors.

The newly formed Export-Processing Industry Coalition (EPIC) said an increase in processed farm exports would stimulate the country's battered economy by creating jobs, generating business activity and raising personal income.

Joining the drive for passage of the measure are the AFL-CIO Industrial Union Dept., and 10 federation affiliates, as well as a number of agricultural, manufacturing and shipping associations. Companion resolutions, which call on President Reagan to revise U.S. foreign trade policies to expand product processing before export, are now before House and Senate committees.

With unemployment over 10 percent and more than 11 million people out of work, "we have to look at initiatives" to create jobs, said Nolan W. Hancock, legislative director of the Oil, Chemical & Atomic Workers and EPIC legislative coordinator.

More jobs, reopened plants

"Processing agricultural products here before shipment overseas would create thousands of jobs and reopen plants that have been shut down," he said at a Washington press conference.

In addition to increased employment at grain and oilseed processing plants, jobs also would be created in transportation, packaging, process supplies and other service industries, EPIC said. State, local and federal governments would gain substantial tax revenues, the group added.

"If an additional 10 percent of the U.S. wheat now exported were turned into flour before shipment, it would generate $1.2 billion and provide 122,000 more American jobs," he said, citing a Dept. of Agriculture study.

The same economic effect would apply to corn, soybeans and other commodities now being exported primarily as raw materials, Hancock said.

Unions participating in EPIC, besides OCAW, are the Allied Industrial Workers; Grain Millers; Bakery, Confectionery & Tobacco Workers; Molders; Operating Engineers; Woodworkers, Carpenters, Cement, Lime & Gypsum Workers, and the Steelworkers.

OSHA again defers deadline on lead engineering controls

For the third time this year the Occupational Safety & Health Administration has postponed requirements for engineering controls on worker exposure to lead in the primary and secondary smelting and battery manufacturing industries.

OSHA said it has decided to delay the requirement to avoid higher costs for the three industries while the agency completes a review of its 1981 lead-exposure standard.

Last June, OSHA postponed a June 29 deadline until Aug. 30. It subsequently put the compliance requirement off again until Nov. 15. The latest postponement could last until March 1984 or longer. The agency said it expects to propose a revision of its lead standard next March, and any proposed changes wouldn't take effect until a year after that.

Employers sought delay

The industries, which employ primarily auto and steel workers, asked OSHA to put off the compliance requirement indefinitely, arguing that if OSHA decided to alter the engineering control requirement, the value of the compliance plans would be negated.

"This is just another example of OSHA's weakening of the existing regulation," said industrial hygienist Margaret Seminario of the AFL-CIO Dept. of Occupational Safety & Health.

Although OSHA maintains that it keeps in effect and enforces existing regulations while reviewing standards, "that's just not true," Seminario charged. OSHA merely "pays lip service" to compliance with existing regulations, she said.

OSHA said that to develop a compliance plan an employer would need to conduct an industrial hygiene survey, including environmental sampling, to identify sources of lead exposure and then devise methods to reduce exposure to within the permissible limit of 50 micrograms of lead per cubic meter of air.

OSHA said that if reconsideration of the lead standard led to a change in the mix of engineering controls and respirators required to meet the lead exposure limit, or to a conclusion that the 50 micrograms of lead per cubic meter of air is not feasible for some industries by engineering controls alone, employers would have to make major, costly alterations.

Another requirement, that employers develop more general compliance plans, remains in effect, the agency said, because it does not involve "excessive, unnecessary expenditures."

Exposure to excessive levels of lead can cause damage to the kidneys and nervous system, serious blood disorders, sterility and death.

'Discouragement' high among jobless blacks

Ann Arbor, Mich.—Ten percent of the U.S. population is black, but blacks account for 20 percent of the unemployed and nearly 40 percent of jobless workers classified as "discouraged" because they have had given up the search for work.

An article in Economic Outlook USA, the quarterly published by the University of Michigan's Institute for Social Research, says the higher rate of discouragement of blacks is highly concentrated among youth, women, older persons and the unskilled.

House rejects new attacks on Davis-Bacon

The House upheld Davis-Bacon Act prevailing wage standards by defeating three labor-opposed amendments to the highway repair and mass transit bill.

It rejected, 223-174, an attempt to exempt construction funded by the legislation from Davis-Bacon requirements of locally prevailing wages and benefits. The amendment's sponsors, Rep. Charles W. Stenholm (D-Tex.) and Rep. Arlan Stangeland (R-Minn.), argued that more jobs could be provided by paying workers less.

By an even stronger 217-149 margin, the House defeated an amendment by Rep. Robert S. Walker (R-Pa.) that would have had the same effect indirectly. It would have allowed the Secretary of Transportation to waive Davis-Bacon requirements if he was of the "opinion" that enforcing the law would limit "legitimate job opportunities."

The closest vote, 194-191, amounted to a setback to the Administration's attempt to reduce Davis-Bacon coverage through changes in regulations.

At issue in this dispute was the interpretation of the Davis-Bacon Act language that was part of the 1956 Federal Aid Highway Act, which provides for predominantly federal funding of highways and major roads.

The law refers to coverage of "initial construction," which over the years has been interpreted to include all major resurfacing, restoration and rehabilitation work. Only routine maintenance and minor repairs for which federal funds were not provided have been considered exempt from coverage.

But the Federal Highway Administration has reinterpreted the provision to mean that only entirely new construction should be covered by Davis-Bacon.

To make clear that Congress does not go along with that interpretation, the House Public Works Committee included in the new legislation a Davis-Bacon clause that eliminated the qualifying "initial" before the word "construction." If the Senate did likewise, the Administration's attempt to reduce coverage would be thwarted.

Rep. Buddy Roemer (D-La.) sought to restore the phrase "initial construction" by amendment, arguing that the committee had expanded Davis-Bacon coverage by the change.

But House Public Works Chairman James J. Howard (D-N.J.), who was instrumental in beating back all of the attacks on Davis-Bacon protections, countered that it was supporters of the amendment who wanted to change an interpretation that had prevailed for some 25 years.

Chrysler pact keyed to vote on new offer

Toronto — The Auto Workers scheduled a ratification vote Dec. 12 on a tentative new contract with the Chrysler Corp. in Canada that could end a five-week-old strike by some 10,000 workers and influence bargaining for Chrysler workers in the United States.

If the agreement is approved, UAW Canadian Director Robert White said, the Chrysler employees could return to work the next day. White did not disclose the economic terms of the settlement, but earlier this week the union turned down a 30-cent-an-hour wage increase offered by the company, saying it was inadequate.

The Canadian workers struck the company Nov. 5 because the auto maker would not grant them an immediate pay raise. The walkout had a ripple effect on American workers making parts for cars built in Canada, forcing the layoff of 4,600.

UAW President Douglas Fraser, who came here to rekindle the talks after they had faltered a day earlier, said negotiations on a new contract covering some 43,000 Chrysler workers in the United States would continue at the company's headquarters in Highland Park, Mich. U.S. workers, who rejected an earlier Chrysler proposal, also want an immediate pay rise, but have voted not to strike.

Both in Canada and in the United States, Chrysler workers are paid considerably less than their counterparts at Ford and General Motors. Over the past three years, they have made substantial wage concessions to help the company recover from financial difficulties.

Mutual satisfaction

"It's been a very difficult set of negotiations, and the economic settlement satisfies us," the UAW's White told reporters. Chrysler officials said they were pleased with the agreement, and noted in a statement that "it paves the way for the immediate return to work of all our employees before the holidays. Chrysler workers will be eligible for six days of holiday pay if they are back at work by Dec. 23.

Negotiations on non-monetary contract issues involving the Canadian workers were proceeding, but if the wage terms were accepted the strike could end, White said.

Earlier, the company and the union tentatively agreed to a September 1984 expiration date for any final pact they might reach.

As unemployment mounts

An emergency extension of federal supplemental unemployment benefits received strong labor support at hearings by a House Ways & Means subcommittee. AFL-CIO witnesses discuss the urgent issue with Subcommittee Chairman Harold E. Ford (D-Tenn.). From left, Social Security Director Bert Seidman, Assistant Director Arleen Gilliam, Ford, and Associate Legislative Director Robert McGlotten.

Business survey confirms sluggish recovery outlook

Don't count on the big corporations to lead the country to economic recovery on the strength of increased investment.

That's the bottom line of a Louis Harris survey commissioned by Business Week magazine and conducted early last month. An overwhelming 90 percent of some 600 high officials with 1,200 major companies said their policy will be to try to increase output without adding significantly to their workforces.

While employment in a recovery normally lags other signs of improvement, the level of opinion for holding down hiring is disturbingly high, the Harris poll revealed.

The survey supports the views of those economists who see relatively sluggish growth when recovery from the Reagan Recession—now 16 months old—finally gets under way.

Another poll—of purchasing managers at 350 industrial companies—confirmed that the economy continued to sink in November with no indication of an upturn in sight. Production, new orders, and employment all were down last month and inventories continue to be reduced, the National Association of Purchasing Managers said.

"The industrial sector is still declining, with poor vital signs," the group reported.

And the business-oriented Conference Board, at an economic forum in New York City, forecast a recovery next year but one that will fall "far short" of those that have followed previous recessions.

The forum's 13 economic analysts predicted that real gross national product, or the value of the total output of goods and services, will grow by only 2.7 percent in 1983, while unemployment "will remain a serious problem, averaging 9.8 percent." Inflation will be 4.8 percent, down from 6 percent this year, the panel said.

At the same time, the Commerce Dept. reported that new orders to the nation's recession-staggered factories plunged to their lowest level in more than two weeks in October. With an increase in new orders needed for any near-term recovery, the latest news dealt a major setback to hopes for economic improvement soon.

Lower auto output

Meanwhile, domestic auto makers said they will trim their production plans in December, and called for a 4 percent reduction in the number of vehicles over the month. At that rate, the industry will likely end the year with output of about 5.1-million units, or 18 percent fewer than last year's depressed level of 6.2-million units.

The Harris survey for Business Week also discovered that big companies apparently have resolved to push up output in the event of a modest recovery without resorting to large-scale capital financing. The Administration has long claimed that business tax incentives would boost capital investment but, by 83 to 12 percent, corporate executives rejected much new capital financing in advance of a strong recovery.

The biggest agreement was in the area of office management costs. About 80 percent of the respondents to the Harris poll said their firms likely would invest in devices to cut white-collar labor costs. Some 76 percent also said they would probably invest in labor-saving equipment on the factory floor.

Extended aid for long-term jobless sought

Continued from Page 1

week entitlements would be increased to a flat 13 weeks in every state.

The Steelworkers and the Auto Workers testified along with the AFL-CIO in support of an additional benefit period, but the Reagan Administration sent word that it needed more time to assess the need.

Labor Sec. Raymond J. Donovan wrote Ford asking that consideration of the legislation be put off until the new Congress convenes.

Instead, the subcommittee later that day unanimously approved the measure, clearing it for action by the full Ways & Means Committee.

Seidman reiterated the AFL-CIO's preference for a more comprehensive and permanent supplemental benefit program that would provide an additional 26 weeks of payments funded by general revenues rather than the payroll tax.

But if a comprehensive reform can't be achieved immediately, "prompt enactment" of the Ford bill is needed to deal with a growing emergency.

Seidman noted that only about 5 million of the nearly 12 million Americans officially counted as without jobs are receiving unemployment compensation under the regular state program, the sharply curtailed extended benefits program, or the stop-gap federal supplemental benefits program. Already, he noted, 135,000 persons have exhausted federal supplemental benefits, and the promised economic recovery appears more and more distant.

Ill-considered cuts

Ironically, he reminded the Ways & Means subcommittee, duration of benefits now is substantially shorter than in less serious recessions of past years "as the result of ill-considered restrictions demanded by the Reagan Administration and imposed by Congress."

Seidman and McGlotten stressed the AFL-CIO's strong advocacy of employment programs that would "put people back to work." But meanwhile, workers left jobless are approaching desperation, they stressed.

Film shows job factor in pension investments

The Operating Engineers have produced a film exploring the job-creating potential of channeling pension fund investments into union-built construction projects.

The 25-minute, 16mm film, titled "Our Pensions, Our Money, Our Jobs," points out that about $200 billion in pension fund money could go to such investments.

Because pension funds are really a form of deferred wages, the plans belong to their participants and must be used to promote and protect the best interest of union workers, the film stresses.

Information on the film can be obtained from the International Union of Operating Engineers, 1125 - 17th St. NW, Washington, D.C. 20006, 202-429-9100. Prints are also available from the AFL-CIO Film Library and the Building & Construction Trades Dept.

Clinch River project support tied to energy, job concerns

A union-business-public interest alliance is calling for the completion of the Clinch River breeder reactor as a key step in U.S. energy development and a needed source of jobs.

Funding bills for the nuclear energy demonstration project are encountering stiff opposition in House and Senate committees which are considering appropriations for fiscal year 1983.

Pressing the case for continued funding of the project is the Committee on Jobs, Environment & Technology (CJET), chaired by President Robert A. Georgine of the AFL-CIO Building & Construction Trades Dept.

The broad-based coalition includes the NAACP, National Rural Electric Cooperative Association, General Federation of Women's Clubs, national business organizations and affiliates of the BCTD.

In announcing the formation of CJET, Georgine said that while support for the Clinch River project is an immediate priority, the committee will deal with a number of energy and technical issues.

Georgine described the $3.6-billion project at Oak Ridge, Tenn., "a prudent and vital investment" in the country's future.

The reactor, which would be linked to the TVA energy grid when completed, is intended as a demonstration of the commercial feasibility of generating electricity by using plutonium as fuel. It would actually produce more plutonium than it would use in making electricity.

Noting that $1.4 billion has already been spent on the project, Georgine warned that it would cost up to $1.9 billion to terminate it—slightly less than the cost of completion.

Funding measures

The Dept. of Energy funding bill now before the House Appropriations Committee would provide $227 million for fiscal '83; a companion bill in the Senate would provide $195 million.

In addition to generating energy, Georgine said the Clinch River reactor would produce more than enough revenue for the government to recover its original investment. He also stressed that the construction work would be responsible for about 8,000 jobs, about half of them at Clinch River.

Vote near on auto content

The domestic auto content bill was cleared for House action and the AFL-CIO urged its passage without weakening amendments.

The legislation would require foreign auto companies selling more than 100,000 cars a year in the United States to include a minimum percentage of "added domestic value" through use of U.S. workers or American-manufactured parts. Firms selling 900,000 cars would have to meet a 90 percent domestic content standard by 1986.

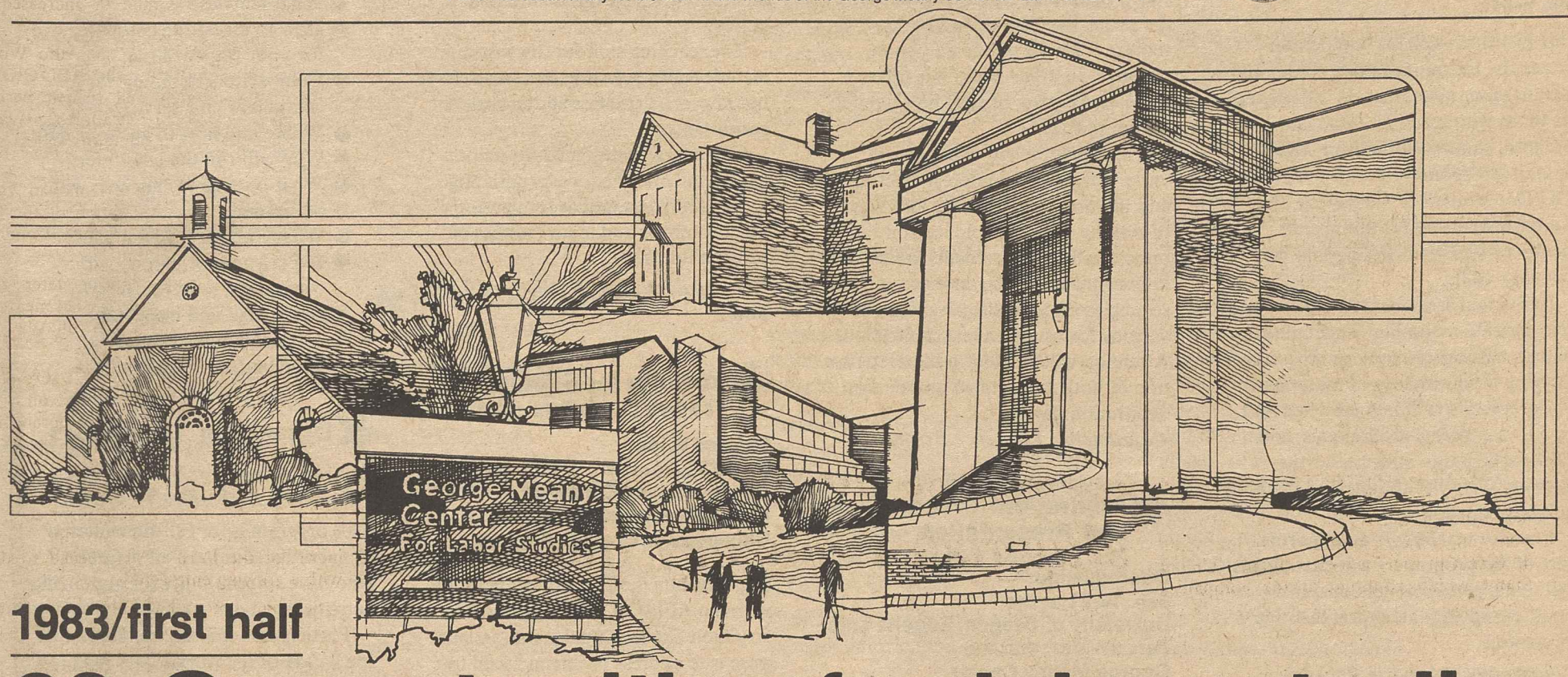
In a letter to House members, AFL-CIO Legislative Director Ray Denison said its enactment would take the automobile and auto parts industries "off the list of endangered U.S. industries while creating jobs for hundreds of thousands of American workers."

Its ripple effect would help the entire economy, he stressed.

The 1983

LABORITE

Published occasionally for the alumni and friends of the George Meany Center for Labor Studies, Inc.



1983/first half

33 Opportunities for labor studies

For the first half of 1983—the 14th and busiest year of its operation—the George Meany Center for Labor Studies will offer 33 institutes, workshops and programs. All but five will be held at the 47-acre campus in Silver Spring, Md.

Course descriptions begin on the next page. Subjects range from organizing techniques and grievance arbitration to the organizational use of computers, how to deal with the news media, effective union actions for civil rights, and union skills for union women.

These courses are open to all full-time officers, representatives and staff employees of AFL-CIO affiliates. There is no charge for tuition. An application to enroll for any of these programs is included in this issue.

In addition to these multi-union programs, 23 staff training sessions at the George Meany Center will be sponsored by 13 AFL-CIO unions for their own leaders. The American Institute for Free Labor Development (AIFLD) will sponsor three six-week programs for Spanish-speaking union officers from Latin American countries.

During the 12 months of 1982, a total of 3,856 union leaders attended classes at the George Meany Center. The Center sponsored 48 institutes, workshops or programs open to full-time representatives of AFL-CIO affiliates. The affiliates sponsored 51 training sessions for their own personnel, including seven by Departments of the AFL-CIO.

AIFLD sponsored training courses on campus for six groups of trade unionists from Latin America.

The Center's facilities are booked almost solidly through June. However, cancellations occasionally free some space. AFL-CIO unions interested in using the Center's facilities should contact Fred K. Hoehler, Jr., Executive Director, or Janis Strange, Registrar, George Meany Center for Labor Studies, 10000 New Hampshire Ave., Silver Spring, Md. 20903; telephone 301/431-6400.

George Meany Center for Labor Studies, Inc.

10000 New Hampshire Avenue
Silver Spring, Maryland 20903
301/431-6400

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George Meany Center Calendar

Enrollment is open for institutes and programs listed in **Black type.** See next pages for course descriptions and registration forms.

JANUARY

3-7
American Federation of Teachers

3-21
Communications Workers of America

9-14
State, County & Municipal Employees

9-14
Education Techniques Institute

16-19
Secretary-Treasurers Seminar at Williamsburg, Virginia

16-19
Communications Workers

16-21
Psychology for Union Leaders Institute

16-21
Fact Finding & Interest Arbitration Institute

16-21
Arbitration: Preparation & Presentation Institute at University of Oregon, Eugene

16-Feb. 18
American Institute for Free Labor Development

23-27
Pension Bargaining Institute University of California, Berkeley

23-28
Building Trades Business Agents Institute

23-28
Bakery, Confectionery & Tobacco Workers

30-Feb. 4
College Degree Program

FEBRUARY

6-11
State, County & Municipal Employees

6-11
Negotiating Techniques: State & Local Agencies Institute

6-11
Introduction to Computers Institute

13-18
Organizing I Institute

13-25
Communications Workers

20-25
Food & Commercial Workers

27-Mar. 4
Building Trades Business Agents Institute University of Oregon, Eugene

27-Mar. 4
Arbitration: Preparation & Presentation Institute

27-Mar. 4
Newswriting & Editing Workshop

MARCH

6-11
Cement Workers

6-11
Labor Law Institute

13-15
Clothing & Textile Workers

14-Apr. 22
American Institute for Free Labor Development

15-18
Clothing & Textile Workers

20-25
State, County & Municipal Employees

20-25
Union Skills for Union Women Institute

20-25
AFL-CIO Building Trades Department

27-31
Flight Attendants

APRIL

5-8
Clothing & Textile Workers

5-8
Mini Computers for Union Locals Institute, University of California, Berkeley

10-15
How to Deal with the News Media Institute

10-22
Advanced Organizing Institute

10-13
Communications Workers

17-21
Civil Rights Seminar

24-29
Service Employees

24-29
Mini-Computers Institute

MAY

1-6
Operating Engineers

1-6
Unions in the Year 2000 Institute

2-4
★ ★ ★ The Annual Labor Song Exchange ★ ★ ★

2-June 10
American Institute for Free Labor Development

8-11
Stress as a Union Issue Institute

8-12
Pension Bargaining Institute

8-13
Advanced Education Techniques Institute

15-19
International Affairs Conference

16-18
Issues in the Economy Institute

16-20
Flight Attendants

22-27
Occupational Safety & Health Institute

22-27
Advanced Arbitration Institute

22-27
Bakery, Confectionery & Tobacco Workers

JUNE

5-8
The Automated Office Institute

6-10
Flight Attendants

12-18
Carpenters

19-21
American Council on Education

19-21
Air Line Pilots

19-24
Organizing I Institute

20-July 29
American Institute for Free Labor Development

26-July 1
Mini-Computers Institute

George Meany Center Institutes January to June 1983

★ Education Techniques

Jan. 9-14

This institute explains and demonstrates the techniques most commonly used in labor education. It is designed for those who teach in union conferences, summer schools or night classes. Co-sponsored with the AFL-CIO Department of Education, this is a basic institute for union staff members who want to upgrade their teaching skills.

Individual sessions will explain and demonstrate a number of techniques—lecture, discussion, buzz groups, role playing, films, and use of materials. These sessions will lay out when and how to use various techniques, and help participants understand the learning theory that underlies methods in labor education.

Practice teaching is an important part of the program. Each participant will teach two short sessions, in a small group with an expert instructor to critique.

Coordinator: Marjorie Rachlin

★ Psychology for Union Leaders

Jan. 16-21

The position of union leader is a stressful job; union leaders are always giving of themselves, always acting with, and reacting to, others.

Some of the stress may be reduced if you understand yourself, the people, and groups you deal with. Such understanding makes you a more effective leader; that is the purpose of the *Psychology for Union Leaders* institute.

To accomplish this, the institute is structured as follows:

The *first day* the class focuses on the individual. Why do we do what we do? What motivates a union member? How can we deal with the stresses of the job?

The *second day* is devoted to an analysis of leadership styles. You will come away knowing what kind of leader you are. A super leader? A chaplain type leader? A compromiser? A task master? You'll understand, also, that you can shift into other styles when it is appropriate.

The *third day's* program will explore group dynamics; how committees can become more effective and how good decisions are made.

On the *fourth day* the class will learn about systems analysis. How departments within the larger organization can all pull together.

Finally, on the *fifth* day we discuss how all these skills can be usefully applied back home on your job.

Running through the week will be a mini-course in public speaking; video tape will be used so you can see yourself as others see you.

Coordinator: Lisa Portman

★ Fact Finding & Interest Arbitration

Jan. 16-21

This institute will examine the experience of unions with both interest arbitration and fact finding. There is now considerable experience with the arbitration of contract terms, particularly in the public sector. Many states require interest arbitration for the protective services and a few require it for all public employee disputes. In other states it is offered as an alternative, or may be agreed to by the parties.

This institute will examine the variety of forms of interest arbitration, and the use of fact-finding as a way of settling public employee contract impasses. It will also analyze the impact on bargaining and the strategies that are effective with the various forms of interest arbitration. Attention will be paid to the preparation of both fact-finding and interest arbitration cases.

Coordinator: Lawrence Rogin

★ Arbitration: Preparation and Presentation

Offered twice:
Jan. 16-21 at the University of Oregon, Eugene and
Feb. 27-Mar. 4 at the George Meany Center

The way to learn to prepare and present grievance cases to an arbitrator is to do it. That learning is best done at an institute such as this when a union member's future is not at stake.

This institute concentrates on the presentation of mock cases before practicing, professional arbitrators who are willing to share their knowledge freely with the participants. The cases are carefully selected to be "real" and for their learning value.

During the week, there are practice sessions on the preparation of cases, the techniques of presentation with emphasis on two areas that union representatives find most difficult: opening statements and handling witnesses.

Participants tell us that the most helpful part of this week is the video taping of the mock arbitration proceeding, with the playbacks used as a basis for analysis and discussion. The arbitrator who has heard the case takes charge of this session.

There are discussions of what matters can be arbitrated, the selection of arbitrators and the law of arbitration. Since discipline and discharge cases are the cause of more than half of all grievance arbitrations, special attention is paid to the investigation of cases and to the rules which arbitrators use in deciding them.

Coordinator: David Alexander

★ Pension Bargaining

Offered twice:
Jan. 23-27 at the University of California, Berkeley and
May 8-12 at the George Meany Center

At the bargaining table, pension negotiators face a double-barreled cost problem: trying to keep benefit levels in step with inflation and, at the same time, meeting the increased administrative costs imposed by ERISA, the pension reform act.

The George Meany Center is continuing its series of pension courses covering the basics of pension planning, analysis of pension reports, and the actuarial, legal and administrative impact of ERISA. In addition, special attention will be given to investment policy.

The teaching staff for this institute includes union pension specialists, labor lawyers, actuaries and investment consultants.

The course is designed for union staff members who have negotiating responsibility as well as for pension administrators and labor trustees of pension funds.

Coordinators: Russell Allen and Joe Swire

★ Institute for Building Trades Business Agents

Offered twice:
Jan. 23-28 at the George Meany Center and
Feb. 27-Mar. 4 at the University of Oregon, Eugene

This institute is offered in cooperation with the AFL-CIO Building and Construction Trades Department. Its purpose is to address problems faced by business agents in areas such as health and safety, Davis-Bacon wage determination and enforcement, labor law, the pension reform law, the legislative program of the Department, jurisdictional disputes organizing developments and other issues of current interest to building trades leaders.

Because of the special nature of this program, the usual limit on registration from any one union does not apply.

Coordinator: Fred K. Hoehler, Jr.

★ Negotiating Techniques for Bargaining with State & Local Agencies

Feb. 6-11

This Institute on Collective Bargaining Techniques is limited to participants concerned with negotiations in the public sector, other than Federal. (The latter is a whole, separate ball game). One day will be spent on the basic principles of collective bargaining and on proper preparation, with emphasis on analyzing budgets and audits .

Participants will be assigned to union and management committees and will attempt to bargain out an agreement in a typical public sector situation. Experienced factfinder-mediators will be on hand and will be assigned to the simulations if an agreement has not been reached. They will be given the kind of authority that such neutrals usually have.

Coordinator: William Gillen

★ Introduction to Computers

Feb. 6-11

Pop quiz: how many of these terms can you define?

- Hardware ☐
- Software ☐
- Mainframe ☐
- Database ☐
- COM ☐
- I/O's ☐

All these terms will be explained at the *Introduction to Computers* Seminar. Not only explained—but explained in layman's terms by specialists who understand the labor movement as well as the technology.

If your union is thinking of converting to a computer system this will be a good introduction to the subject.

The program will include these topics:

- What a computer can do.
- What hardware is.
- What software is.
- How to assess the computer size for your organization;
- Comparison shopping for computers and services;
- Where and how to get your data;
- Who will run the computer;
- What outside technicians will be needed;
- What training for your staff;
- Experiences of unions with computers;

You will visit and inspect the AFL-CIO computer center.

Coordinator: Lisa Portman

★ Organizing Techniques I

Offered twice:
Feb. 13-18, and June 19-24

This program is for full-time international or local union staff members who have responsibility for organizing activities.

Participants will discuss the changing nature of the work force. A simulated organizing exercise will be used to teach the mechanics of an organizing campaign. The exercise will be video taped so that participants can see themselves in action as organizers. They will work with prospective members, using worker interviews to determine interests and issues. They will discuss methods of developing leaders and making an organizing committee work effectively.

The course de-emphasizes the legalistic approach to organizing, but it will cover the law on organizing and Labor Board procedure—from the organizer's viewpoint.

Participants will study sophisticated anti-union techniques being used by employers and labor relations consultants to defeat workers' efforts to organize. Countervailing measures will be suggested.

Coordinators: Russell Allen and Harry Millstone

★ Newswriting & Editing for Union Publications

Feb. 27-Mar. 4

This workshop for union editors will concentrate on newswriting, feature writing, and headline writing. Classes will include daily writing assignments.

Participants will be asked to bring copies of their publications for analysis and evaluation .

Participants will hear from specialists on:

- How to make a union publication more readable, more credible, and more useful to union members;
- How to cope with problems of delayed mail deliveries and skyrocketing postal rates;
- How to avoid suits for libel and slander and copyright infringement.

One session on editorial resources will let editors know where to find cartoons, photos and other feature materials.

This workshop, cosponsored by the International Labor Press Association, is for any union editor or would-be editor of a local, district, council or state publication.

Coordinator: Gordon Cole

Labor Law

Mar. 6-11

Some knowledge of the laws that regulate labor unions grows increasingly important to all union officers and staff members. Issue after issue is being tested in the courts, bringing occasionally conflicting decisions and sometimes what seems a revision of the law.

Also, the NLRB shifts with new appointments, and it attempts to avoid court reversals. Even someone with a better than average awareness of labor laws, needs periodic updates on "what they've done to us lately."

The subjects covered at this institute are taught by prominent labor lawyers. The topics will include:

- **Laws Governing Internal Union Affairs**—Included here is Title I (members' bill of rights) and Title IV (election procedures) of Landrum-Griffin (Labor-Management Relations and Disclosure Act).
- **Organizing and the Law**—This Taft-Hartley Act session will cover campaign procedures, recognition, representation, unit determination, NLRB conduct of elections, and unfair labor practices.
- **Bargaining and the Law**—An analysis of Taft-Hartley continues with duty to bargain, good faith bargaining, subjects of bargaining, access to data, picketing, and secondary boycotts.
- **Duty of Fair Representation**—How far are unions obliged to go to represent members equitably under the law?
- **Laws of Equal Opportunity**—This class provides a better understanding of the Equal Pay Act, Title VII of the Civil Rights Act, the Age Discrimination Act. The implications of Supreme Court decisions will be included.
- **Employee Retirement Income and Security Act**—The current status, as it keeps evolving, of the ERISA law will be reviewed.
- **The Occupational Safety and Health Act**—The current status of this law will also be reviewed.

Coordinator: William Gillen

Union Skills for Union Women

Mar. 20-25

What does unionism mean to women? Obviously all the benefits of the labor movement are vital to women workers, but many problems particularly affect women that unions are increasingly addressing: pay equity, opportunities for non-traditional jobs, child care, freedom from sexual harassment, and the health and safety problems on their jobs.

Changes of recent years have brought more women into union activities. There are more women in the workforce—42 percent are women. Those fortunate enough to belong to a union are becoming active as stewards and local union officers. The number of women on union staffs has increased dramatically. These leaders, often undertaking new responsibilities, want training in leadership skills. They need to understand union structure and functioning, how to organize their work and how to be effective in that structure.

The institute will focus on both of these areas. It will provide:

- Training in skills women need to be competent in their union jobs
- Facts and perspective on issues important to working women in bargaining, organizing and day-to-day union administration.

Coordinators: Lisa Portman and Marjorie Rachlin

Mini Computers for Union Locals

Offered three times:
Apr. 5-8 at the University of California, Berkeley and
Apr. 24-29 and
June 26-July 1 at the George Meany Center

If your time and money are limited but you need to investigate computers, this survey course will help you. It can save you time, money and confusion. It is intended for local union officers who need a brief but thorough introduction to mini-computers before they set off on an expensive shopping expedition. It will cover:

Technical Aspects—The three days will be packed with information about hardware, software, computer language and other technical matters. Word processors and mini-computers will be exhibited at the Center so you can experience these "user-friendly" machines directly.

Data Base—What information will you computerize? Much of the data already exists in your records and can be electronically encoded to help your financial procedures and your membership records.

Purchase Considerations—Advice on finding reliable vendors and consultants will be offered. Service and purchase contracts will be discussed and recommendations for networking compatibility stressed.

Personnel—The new system will require new procedures; this means staff retraining and perhaps reassignment. Considerations of hiring technicians also arise. The change-over can be managed without causing personnel upheaval.

Security—Your records contain valuable information that should remain confidential and tamper-proof. Several kinds of security checks can be designed into your system.

The seminar will be taught in jargon-free language by union-related specialists who understand local union procedures. No prior computer knowledge is expected of the students.

Coordinator: Lisa Portman

How to Deal with the News Media

April 10-15

This is an institute to help union officers, international representatives and business agents make more effective use of the news media, to tell labor's story on television, cable and radio and in the press.

Sessions will be devoted to giving interviews, handling hostile questions, speaking more effectively in front of TV cameras, conducting news conferences, taping "actualities" for radio, and developing news releases that attract attention.

Speaking classes will be conducted in front of a video camera so participants can evaluate their own performances.

This program is co-sponsored by the AFL-CIO Information Department.

Coordinator: Gordon Cole

Nondiscriminatory policy for students

The George Meany Center for Labor Studies, Inc. admits students of any sex, age, race, color, national and ethnic origin to all the rights, privileges, programs, and activities generally accorded or made available to students at the school. It does not discriminate on the basis of sex, age, race, color, national and ethnic origin in administration of its educational policies, scholarship and loan programs and athletic and other school-administered programs.

Who Is Eligible: General Rules

Eligibility

To participate in Labor Studies Institutes or programs at the George Meany Center, one must be a full-time officer, representative or staff employee of an AFL- CIO affiliate.

Registration

Early registration is advised. Labor Studies Institutes are limited to 25 participants, not more than three from the same union. The Center reserves the right to postpone or cancel any institute.

Hours

Registration for most Labor Studies Institutes begins at 4 p.m. on Sundays with the first session scheduled at 7 p.m., Sunday. Morning classes begin at 9 a.m. running until noon. They resume at 1:30 p.m. and run until 4:30 p.m. Advance notice will be given of evening events.

Accommodations

Unless their homes are within easy commuting distance, participants are expected to live on campus. The campus guest quarters can house 141. Most of the rooms are singles with queen-size beds; a few rooms are doubles with twin beds. Each room has its own private bathroom and study desk. Maid service is furnished. The rooms are spacious and pleasant. Participants are invited to bring their spouses.

Meals

Meals are served cafeteria style in the Dining Hall. Breakfast is from 7:30-8:30 a.m.; lunch, 12-1; dinner 6-7 p.m. weekdays. Wakeup calls are made at 7 a.m. for all students.

Costs

There is no tuition charge for a labor studies institute, workshop or program sponsored by the George Meany Center. Room and board charge for a student in residence is $60 a day, single occupancy; $45 a day, double occupancy. This includes three meals. Students who commute are charged $30 which covers lunches at the Center.

Deposit

A deposit is required with each application for registration in an institute, workshop or program at the George Meany Center. For students who do not live in the area, the deposit is $60 which will be credited to the final bill for room and board. For commuters living in the Washington, D.C. area the deposit is $30. Those applying for an institute at the University of California, Berkeley, or the University of Oregon, Eugene, must enclose a deposit of $25.

The deposit is refundable if registration is cancelled and notice of cancellation is received by the Wednesday before the beginning of the program. Please make check payable to the George Meany Center for Labor Studies.

The Center asks each participant to settle for the bill by cash, personal check, American Express, Master Charge, Visa or Bank Americard before leaving the campus.

Dress

Dress is informal at all times. Those who want to take part in athletic activities should bring sports clothes.

Discipline

A labor studies institute is no junket. All who come should do so with serious purpose. All sessions start on time. Participants are expected to be prompt. The Labor Studies Center is free to cancel anyone's registration at any time.

Certificates of Completion

Participants will be expected to attend all sessions. The Center will award certificates on the basis of full attendance.

Application to Register for Labor Studies

Registrar
George Meany Center for Labor Studies, Inc.
10000 New Hampshire Avenue
Silver Spring, Maryland 20903

_____, 1983
date

Please enroll me in the following institute. Enclosed is a deposit of $_____

_____
subject dates location

Name of applicant: Mr./Ms. _____
please print

Address _____

_____
city state zip

Sponsoring Union _____

Applicant's Union Office or Position _____

☐ Check Box if fulltime officer or employee or rep.
☐ Other.

Office Phone _____ / _____
area code

_____
Signature

Please enclose a check for $60 per institute as a deposit to be credited to room and board charges. $30 is required of registrants living in the Washington, D.C. area who commute to class. This covers commuters' lunches for one week.

A $25 deposit is required for enrollment in institutes at the University of California, Berkeley, or the University of Oregon. This deposit will be refunded after the individual has completed the institute.

Deposits will be refunded if notice of cancellation is received by the Wednesday prior to the beginning of the program. Please make all checks payable to the George Meany Center for Labor Studies.

Advanced Organizing Techniques Workshop

Apr. 10-22

This two-week institute on Advanced Organizing Techniques is co-sponsored by the AFL-CIO Department of Organization and Field Services. Registration for this course is restricted.

Participants will be chosen from those nominated by organizing directors and union officials. Priority will be given to experienced organizers with the responsibility for directing organizing staffs. Total registration is limited to 30; no more than three will be accepted from any one national or international union.

The program includes the problems of organizing both large and small units and special approaches where a union is involved in a re-run election.

: Russell Allen

Effective Union Action for Civil Rights

Apr. 17-21

The AFL-CIO Civil Rights Department's annual conference on Effective Union Action for Civil Rights is planned especially for Civil Rights and Women's Rights Designees of unions affiliated with the AFL-CIO. The conference is useful as well for all union staff members and elected officers interested in this important subject.

The conference includes reports and discussion on important current issues of civil rights activities and law. Participants have an opportunity to exchange ideas with responsible government officials, with academics and leaders of organizations with a particular commitment to civil rights and equal opportunity.

Coordinator: Jacqueline Brophy

Unions in the Year 2000

May 1-6

The purpose of this institute is to discuss current social and economic trends and to explore the problems and opportunities that they present for organized labor through the year 2000.

Discussion will focus on:

Changes in the Economy—Sectors of economic growth; problems of employment and inflation; composition of the labor force; taxes and income distribution; the effects of change on jobs and productivity; and new problems in foreign trade.

The American System of Government—New forces in politics and their influence on political aims and effectiveness.

The American System of Unionism—Equal rights and equal opportunity; safety and health on the job; unions' growth and change; new strategies in organizing and bargaining; and structural changes.

Coordinator: Fred K. Hoehler, Jr.

The Annual Labor Song Exchange

May 2-4

The Annual Labor Song Exchange will once again bring labor singers and their songs and guitars to the campus. This three-day institute attracts labor people who write songs on labor themes and perform them for their unions. It provides an opportunity to learn new songs and music from each other, the staff and to perform before an audience.

The program will include:

- How to use songs for meetings, rallies, picket lines, demonstrations and celebrations;
- How to plan and present a lively program;
- How to lead a sing-a-long;
- How to improve your lyrics;
- Workshops and coaching to help you improve your presentation.

This short course is not designed for professionals but for those who sing, write or perform in their spare time or as part of their union work.

The finale will be a songfest in the Center's auditorium to which the public will be invited.

Coordinators: Lisa Portman and Gene Morrill

Week-in-residence starts Jan. 30 for college degree candidates

More than 70 officers and staff employees of AFL-CIO unions are expected to attend this year's first week-in-residence, Jan. 30 to Feb. 4, for students working for college degrees at the George Meany Center for Labor Studies.

The participants choose two courses to study during the next six months. Among the subjects offered this year are Collective Bargaining, Labor and the American Political System, Labor Movement Past and Present, Labor Law, Economic Policy Issues and Industrial Sociology.

While they're on campus the students meet daily with two professors and do the first written assignments for their courses. At the end of the week they go home and complete their remaining assignments over the next five months, sending each to the instructors and getting back comments.

Since the program started eight years ago, participants have come from 47 states including Alaska and Hawaii and from nearly as many AFL-CIO

unions. Thirty-three have earned the Antioch University degree of Bachelor of Arts in Labor Studies.

The week-in-residence is held twice every year—in January and July. For more information write to College Degree Program, George Meany Center, 10000 New Hampshire Ave., Silver Spring, Md. 20903.

Stress as a Union Issue

May 8-11

Stress on the job is killing workers. **Stress** is the basis of some compensation claims. What is **stress?** Who suffers from **stress?** What can unions do about **stress?**

This two-day workshop on **stress** is for union leaders and staff members who wish to explore this topic of current interest.

Subjects covered will be:

- Physiological basis of **stress**
- Causes of **stress** on the job
- **Stress** reduction techniques
- Labor issues related to **stress** in the workplace

The program will be under the direction of Eugene V. Martin, chief researcher of the Graphic Arts International Union Job **Stress** Project.

The main emphasis will be on-the-job **stress,** but job-related **stress** carries over to the worker's home and family as well. Therefore, personal costs of **stress** will be examined and some **stress** reduction exercises will be offered.

Coordinator: Lisa G. Portman

Advanced Techniques for Labor Educators

May 8-13

This program is set up for experienced staff members who teach and plan programs in labor education. While the basic Education Techniques institute focuses on fundamentals of labor education, particularly teaching skills, this institute will emphasize the use of the newer audio-visual methods and the skills needed by people who plan and conduct summer schools, conferences and other labor education programs. The program will include:

- Effective use of videotape in teaching, with demonstration and practice for participants;
- New audio-visual technology—videodisc, teleconferencing, videocassettes, etc.;
- Roleplaying and simulations—one-to-one and group;
- Planning, recruiting for and conducting institutes, schools and conferences.

Participants in this institute will teach practice sessions that will be videotaped for replaying and critiqueing with an instructor.

Coordinator: Marjorie Rachlin

International Affairs Conference

May 15-19

This conference is co-sponsored by the AFL-CIO Department of International Affairs. Because of rapidly moving events in the international field, topics to be discussed will be selected two months prior to the conference. As soon as a program is prepared, all affiliates will be notified by letter.

Coordinator: Fred K. Hoehler, Jr.

Issues in the Economy

May 16-18

This program is co-sponsored with the AFL-CIO Department of Economic Research. It will emphasize alternative economic programs to the supply-side theory that is currently having its inning.

Principal topics will include federal budget and tax policies, monetary policy, and other proposals to control inflation and achieve high levels of employment, output and productivity.

This program is designed for union and university research and education staff, editors, and headquarters and field staff members.

Coordinator: Russell Allen

Occupational Health & Safety

May 22-27

This institute is designed to provide union officials with a range of skills necessary to respond effectively to the complex problems relating to chemical and physical hazards in the workplace.

Participants will be coached in recognizing health and safety hazards, the nature and cause of occupational diseases, relating specific OSHA standards to workplace conditions; worker and union rights under OSHA; using the media for safety and health purposes; and dealing with occupational safety and health issues in negotiating and administering a union agreement. The subjects will be geared to the current public policy on occupational safety and health.

Coordinator: David Alexander

Advanced Grievance Arbitration

May 22-27

Advanced training for grievance arbitration aims to polish techniques in the presentation of arbitration cases. There will be special exercises in examination and cross examination of witnesses and in the preparation of briefs. Attention will be paid to the researching of issues, and the uses of the arbitration services. We will also examine new developments in grievance arbitration.

Attendance will be limited to those who have attended the basic arbitration institute or who have experience in presenting arbitration cases.

Coordinator: Lawrence Rogin

The Automated Office

June 5-8

If your labor organization is running out of room because your files are filling all the floor space, if your financial posting is falling behind, if your reports, letters and contracts are hard to complete and easy to lose, if you have trouble tracking members, you may be ready for an automated office. It can solve these problems but is guaranteed to create new ones.

Experienced union and technical specialists will share their knowledge and offer advice on such topics as:

- *Mini/micro computers*—What size is right for your local, central body or department;
- *Electronic record management*—Microfilm, microfische record keeping;
- *COM*—Computer Output Microfilm;
- *Vendor and Consultants*—How to find the right one;
- *Networking*—Getting hardware and software compatible with other labor-based computers;
- *Converting*—Planning the coming changeover in your office.

Some of the hardware—including word processors—will be available for hands-on demonstration.

Coordinator: Lisa Portman

10.8% rate 'shocking'

Kirkland asks action to solve jobs crisis

Continued from Page 1

programs, subsidized loans for solar energy and conservation equipment, railroad repairs, maintenance and expansion of the national parks system, a schools and hospitals grant program, youth conservation programs, and job training.

The country is faced with an emergency situation, he said. Five million unemployed workers have exhausted their unemployment benefits beyond the standard 26 weeks' entitlement without finding work. One million have exhausted the extended and supplemental benefits.

In the week ended Nov. 20, initial claims for jobless benefits rose by 56,000 to 654,000, the largest surge since the total hit a record 73,000 new claims 10 weeks ago.

"They are not out of work because they don't want to work," Kirkland said. "Every time you see a couple of jobs advertised, you'll find a line forming of hundreds or thousands of people competing for those jobs, wanting those jobs, staying in line all night to try and get a shot at those jobs.

"What more telling evidence is there of the desire of people to work?"

Direct action

Kirkland warned that unless Congress acts soon to help the unemployed, American workers might feel the need to resort to direct action.

"If it takes riots in the streets to bring about movement, I would regret that," he said. "I think we have a democratic society that is supposed to be responsive.

"If all else fails and people come to the conclusion that the only way they can get people's attention is to create turmoil in the streets, then I guess perhaps we have to go out and organize some turmoil in the streets, if that's what it takes to convince people."

Nearly every industry and worker category experienced layoffs last month, although hard-goods manufacturing and adult men and women suffered the most.

BLS Commissioner Janet L. Norwood told the congressional Joint Economic Committee that nearly half the total job loss of about 2.7 million since the Reagan Recession began has occurred in four industries alone—machinery, primary and fabricated metals, and transportation equipment.

Since its pre-recession low of 7.2 percent in July 1981, the jobless rate has risen by more than 3.5 percentage points, with each of the three major age-sex groups substantially affected, BLS said. Over this period, the jobless rate rose from 5.8 to 10.1 percent for adult men, from 6.7 to 9.1 percent for adult women, and from 18.7 to 24.2 percent for teenagers. All were at record high levels in November.

Record rates

The jobless rate for whites also reached a record last month, rising to 9.7 percent from 9.3 percent in October. The rate for Hispanics rose half a percentage point to 15.7 percent, also a new high. Unemployment among blacks remained at 20.2 percent for the third month in a row.

Among blue-collar workers, the jobless rate rose from 15.9 to 16.5 percent. The rate for white-collar workers increased from 5.1 to 5.6 percent.

Altogether, some 436,000 additional workers found themselves unemployed last month. Total employment was about unchanged at 99 million.

Well over half the over-the-month increase in unemployment stemmed from persons re-entering the labor force, BLS said. But workers who had lost their jobs continued to account for 5 of every 8 unemployed workers.

Industrial states

Joblessness rose in eight of the 10 largest industrial states. In Michigan, where the jobless rate is the highest in the nation, the level rose from 16.1 to 17.2 percent over the month, a Depression-era figure equal to the national average in 1939.

As the recession wears on, the number of unemployed workers who have been out of work for long periods has increased. In November, 38 percent of the jobless had been out of work for 15 weeks or longer and more than half of these had been unemployed more than six months.

A further worsening of the employment situation was reflected in another drop in the average workweek of production or nonsupervisory workers on private nonfarm payrolls. BLS reported a decline of one-tenth of an hour to 34.6 hours.

Create jobs now

Immediate congressional action is needed to fund existing jobs programs and to enact new measures that would bring down the nation's "shocking" unemployment rate, AFL-CIO President Lane Kirkland said at a Washington press conference. Inaction, he warned, could trigger "turmoil in the streets."

Workweek drop chief factor in productivity rise

The productivity of nonfarm American businesses rose 4 percent in the third quarter of 1982, slightly more than the 3.6 percent increase originally reported, but the higher gain does not necessarily portend better times for the economy.

"The significant increase in productivity in the third quarter reflects the fact that employers have reduced the workweek even faster than they have reduced output," AFL-CIO Research Director Rudy Oswald observed.

In its revised report on productivity and costs during the July-September period, the Labor Dept. said that "productivity increased as a result of a modest rise in output coupled with a significant cutback in employee hours."

No jobs gain

What this trend means, if it continues, Oswald said, is that, "as the recovery occurs, output increases will not be immediately translated into job gains, further emphasizing the need for jobs programs."

The third quarter's 4-percent growth rate in nonfarm business productivity was the largest since a seasonally adjusted 4.9-percent rise in 1981's first quarter. Improved productivity lowers unit costs, thereby reducing pressure to raise prices.

Manufacturing productivity, a sector of the economy where most recession layoffs have taken place and covering 19.1 million workers, surged 7.3 percent during the quarter, compared to 7.1 percent reported earlier.

White House floats scheme for tax on health insurance

Continued from Page 1

An AFL-CIO fact sheet accompanying the letter pointed out that if Congress were to agree to such a tax increase, "workers who over the years have sacrificed other fringe benefits to maintain adequate health insurance for their families would find themselves owing Uncle Sam more money at tax time to maintain their hard-earned collectively bargained rights. . . . The big winners would be their employers who would no longer have to pay the full cost of collectively bargained health insurance."

Supporters in the Reagan Administration see the tax on health benefits as a way of raising revenue under the guise of controlling health care costs. The plan is drawing increased attention as the Administration works up its budget proposals for fiscal year 1984.

No solution

Ignagni pointed out that the labor movement is concerned about health costs and supports "effective cost controls," but she said this latest tax scheme doesn't get to the heart of the problem.

According to the New York Times, Health & Human Services Sec. Richard S. Schweiker, Budget Director David A. Stockman and Martin S. Feldstein, chairman of the President's Council of Economic Advisers, all support the tax.

Feldstein has called the current system a "special tax subsidy" for health insurance premiums and has said people have "too much" insurance.

In an article published in 1977 in the Journal of Public Economics, he said the current system "encourages excessive purchase of insurance, distorts the demand for health services and thus inflates the prices of these services."

But AFL-CIO Social Security Director Bert Seidman, testifying before Congress on health care costs, called such theories "highly unrealistic, fanciful and harmful" because they ignore the real source of cost inflation which is providers' fees and hospital costs.

The latest Administration plan follows closely earlier schemes that besides setting a cap on employer contributions would offer a small tax break to workers who choose cheap, minimum coverage plans.

These ideas amount to a "bribe" to encourage workers to "disinsure themselves and try to pay out of pocket for health services if they become sick," Seidman charged.

It assumes, he said, that consumers would "shop around" for cheaper physicians, hospitals, insurance and health maintenance organizations and that somehow "the invisible hand of competition" would force providers to lower their costs.

This theory ignores the fact that the medical care market is dominated by doctors, not consumers, Seidman stressed. After the patient makes the initial decision to seek care, the demand for medical services—hospitalization, laboratory tests and diagnostic services for example—is strictly in the hands of the doctor, not the patient.

Faulty assumption

Ignagni said the Administration's assumption that tax limits will lower health care costs could actually work in reverse.

In the search for low option plans, she said, people will have to put off preventive care, will be discouraged from joining HMOs and from seeking early diagnosis and treatment that averts serious illness. Physicians, she said, faced with a patient whose insurance will pay only for hospital care, will be more likely to have the person admitted for the more expensive treatment "because they know they will get paid."

While the real answer to much of the health care cost problem is enactment of a comprehensive national health insurance program, this is not feasible under the current Administration, Seidman pointed out.

As an alternative the AFL-CIO has endorsed a cost containment program developed by the Health Security Action Council.

RCA settlements provide pay, benefits for 16,000

Two AFL-CIO electrical unions overwhelmingly ratified a new agreement with the RCA Corp., providing wage increases and fringe benefit improvements for nearly 16,000 workers.

The three-year agreement, covering some 10,500 members of the International Brotherhood of Electrical Workers and 5,200 members of the Electrical, Radio & Machine Workers, replaces contracts that expired Dec. 1. RCA workers approved the pact at membership meetings Nov. 28.

The IBEW members belong to seven locals in eight locations in the eastern United States while the IUE members are in six locals in New Jersey and Pennsylvania.

Identical in nearly all respects, the contracts are similar to major settlements negotiated by the two unions earlier this year with General Electric and Westinghouse. Wage increases are somewhat lower, however, and a cost-of-living agreement is slightly different.

Under the RCA agreement, workers received an immediate 5 percent pay increase plus raises of 3 percent in the second and third years of the contract.

Semi-annual cost-of-living adjustments, payable in June and December and based on a formula of one cent for each two-tenths of 1 percent rise in the consumer price index, are continued from the old contracts.

Job security advances under the RCA settlement include payment of layoff extension benefits equal to half an employee's pay until age 55 for workers with 30 years' service who lose their jobs because of plant shutdown or discontinuance of a product. These employees would then be eligible for full retirement at age 55.

Minimum monthly pension benefits were increased from $10 per month times years of service to $12 in March and to $14 in June 1984. The maximum will rise to $16 per month plus one-twelfth of 1.6 percent of all earnings above $15,600.

The unions beat back an attempt by the company to eliminate the lump-sum pension option that was part of the old contracts. Workers can still choose to accept a lump sum payment or a monthly pension upon retirement.

Phony labor papers still prey on gullible firms

Despite gratifying progress in putting them out of business, phony labor papers are still bilking gullible businesses for worthless advertising.

Diane Curry, president of the International Labor Press Association, noted that the labor movement's war on fake labor papers has been going on since the 1930s. ILPA's activities, including cooperation with law enforcement authorities in prosecutions, has helped cut deeply into their take over the years, but some operations still find the scam a money-maker, Curry pointed out.

One operation, the "Trade Union Courier" based in New York City, is still soliciting advertising 30 years after its ringleaders were given stiff fines for fraud and were twice ordered by the Federal Trade Commission to stop representing the sheet as an AFL-CIO paper.

Curry, who is publications director of the Railway & Airline Clerks, said that as recently as this month, high pressure telephone solicitations from the "Trade Union Courier" were received by a business in Ohio.

In that case, Curry said, the employer, who has a sound relationship with an AFL-CIO union, got suspicious and checked out the legitimacy of the paper with the local labor movement.

Unfortunately, she added, some businesses swallow the typical racket paper line that taking out an ad assures them "labor peace" or buys them "good will" with "the boys down at the union hall."

Telephone solicitation

A typical attempt to touch a small business for an ad usually consists of a phone call to the owner, Curry said. The solicitor claims to represent "all the unions" or even to be "the official AFL-CIO paper."

The owner is asked to buy an ad to show his or her good will, or the solicitor makes statements that imply the business could have "labor problems." Telephone solicitations are used because it makes the operation harder to identify and trace.

If the small business bites, the solicitor will often insist on sending someone right over to pick up the check. Larger businesses are usually quickly mailed an invoice marked "per our telephone conversation."

Curry noted that the solicitations can also take on a "frightening" tone. Businesses have been questioned about the state of their labor relations, and boycotts, strikes or violence have been threatened.

There are a small number of legitimate, fully labor-endorsed papers which take advertising, and the tactics of the rackets make it harder for legitimate papers to get the ad revenues they need to keep publishing, Curry said.

She stressed that ILPA member-publications must, and do, abide by a strict code of ethics governing advertising practices. The AFL-CIO has rules on advertising in state and local central body papers.

A key feature of the ILPA code is that papers may only carry ads for goods or services union members might have a genuine interest in buying. Blind ads, such as "compliments of a friend of labor" are forbidden.

Another problem, Curry said, involves operators who approach a labor organization with a proposition to put out "your labor paper" for no cost or possibly at a small profit in exchange for the right to use the organization's name to sell ads.

She pointed out that another popular scheme is the "labor directory" or "yearbook," or some other kind of "good will" mechanism, such as a "public safety" guide around which a promoter can wrap advertising.

Opportunists keep trying

No AFL-CIO headquarters publication accepts commercial advertising, but that has not stopped opportunists from trying to soak businesses for "official AFL-CIO convention program" ads or "official AFL-CIO Labor Day publication" advertising, Curry reported.

In 1981, the AFL-CIO's centennial year, the federation issued a statement widely circulated to business groups warning that racket operations would try to cash in on the event with phony papers or directories.

The ILPA, as well as the AFL-CIO, has actively cooperated with law enforcement agencies to combat fraudulent "labor" paper solicitations.

Football Players ratify new 5-year pact with league

The National Football League Players Association ratified by a 3-to-1 margin the new five-year contract it reached last month with the NFL franchise owners.

The vote, announced by NFLPA Executive Director Ed Garvey at the union's headquarters, officially ended the players' 57-day strike against the owners. NFL games resumed three weeks ago while contract language was being ironed out.

Garvey said he hoped the pact could be signed Dec. 10 in Washington and added he was "delighted" the strike was over.

"I am in no way suggesting that we got what I wanted or what the executive committee wanted," he told a news conference, "but a lot of improvements were made because of the strike. . . . Management will never again take lightly the threat of the union to shut down the industry."

Bonuses and severance pay

The settlement calls for substantial gains in player salary minimums, $60 million in bonuses this year, and a severance pay system, the first in professional sports. Under the bonus provision, first-year players will receive $20,000, second-year players $20,000, third-year players $30,000, and players with four or more years in the league $60,000.

Announcement of the ratification vote came after player representatives from 26 of the NFL's 28 teams collected signed ballots from their teammates and telephoned the results to the union.

The vote came 22 days after negotiators for the two sides reached a tentative agreement in New York that ended the walkout. In the strike period, eight weekends of games were canceled. One of those weekends will be made up Jan. 2-3. and two weekends were played before the strike began on Sept. 20, making this year's bobtailed NFL slate of nine games the shortest in the league's history.

Complaint pending

Garvey's target of Dec. 10 for the signing appeared threatened by remarks of Jack Donlan, the chief negotiator for the club owners, indicating that the league may insist on settlement of an unfair labor practice complaint pending against the owners before the new contract is signed.

The complaint, filed last month by the general counsel of the National Labor Relations Board, supported the union's charges that the team owners had violated federal labor law by refusing to give the union information essential to bargaining, changing working conditions unilaterally, coercing players, and attempting to bypass the union by dealing directly with the players.

A steward's gift

The giving spirit of Joe Kucera, a former member of the Washington-Baltimore Newspaper Guild's unit at Merkle Press, recently enriched the Polish Workers' Aid Fund by $150.

Kucera, a native of Czechoslovakia, now a naturalized American citizen, won the Guild local's Shop Steward of the Year award, consisting of a plaque and a monetary sum, and promptly turned over the money to the fund.

"It's a matter of principle," said Kucera, who now is a customer service representative with Kelly Press. "If we let these guys down, there isn't anybody else in the world who will help them."

High court agrees to hear dispute on maternity benefits

The Supreme Court has agreed to decide whether the Equal Employment Opportunity Commission has correctly interpreted a 1978 law in holding that hospital insurance maternity benefits for wives of employees must be equal to whatever maternity benefits the insurance plan provides for women employees.

Two federal appellate courts have taken differing positions on the issue.

The case the Supreme Court accepted for review originated with a charge that the Steelworkers filed with EEOC on behalf of a male employee of the Newport News Shipbuilding & Dry Dock Co. in Virginia.

Limited coverage

He claimed, and the EEOC upheld him, that the company violated the Pregnancy Discrimination Act by limiting to $500 the hospitalization coverage available for his wife's pregnancy in contrast to the virtually unlimited payments available to pregnant employees.

The EEOC sued the shipyard on the employee's behalf. A federal district court dismissed the suit, but the 4th Circuit U.S. Court of Appeals backed the EEOC. Its 2-1 decision held that benefits for spouses serve an "employment-related purpose" and therefore are covered by the 1978 law's ban on employment discrimination because of "pregnancy, childbirth or related medical conditions."

In another case, the 9th Circuit appellate court came to a different conclusion, thus setting up a contradiction that the Supreme Court will resolve.

The Justice Dept. has supported the EEOC interpretation of the law, while the U.S. Chamber of Commerce has filed a brief supporting the Virginia shipyard's position.

Fund drive pressed to assist Polish workers, U.S. jobless

The American labor movement opened a drive to help workers both in the United States and in Poland through the hard times they face in the months just ahead.

"Many times in our history, our members have proven their generosity in helping those less fortunate than they," AFL-CIO President Lane Kirkland said in a letter to state and local central labor organizations.

"If those who are lucky enough to have jobs show they care about those who are jobless at home—and about the brave workers of Poland fighting to restore their union—then this campaign will succeed."

Kirkland is asking affiliates and their members to collect funds for unemployed American workers, which would be distributed within the community through local unions, central labor councils, or other appropriate ways.

Funds collected for Solidarnosc (Solidarity), the Polish trade union, should be forwarded to the AFL-CIO Polish Workers' Aid Fund, Room 809, 815 16th St., NW, Washington, D.C., 20006. Unless contributions are specifically earmarked, they should be divided equally between these two purposes, Kirkland said.

Fund depleted

He noted that the Polish Workers' Aid Fund, which was established shortly after Solidarity came into being in September 1980, now needs replenishing.

"Although Lech Walesa has been released and rumors circulate that martial law will be lifted, the Polish people are now entering a long and bitter winter without the protection of the union which gave voice to their yearning for freedom," Kirkland pointed out.

In a letter to the presidents of national and international unions, he urged affiliates to organize a grass-roots fund-raising campaign, taking collections at plant gates, job sites, and union meetings in the holiday spirit.

"At this critical moment, it is vitally important that American trade unionists let the people of Poland know that our commitment to Solidarnosc is unwavering," he said.

Call for rallies

Kirkland also urged state and local labor organizations to help organize rallies and demonstrations in towns and cities across the country on or around Dec. 13, the first anniversary of communist-imposed marital law in Poland. In some areas, he noted, such activities may already have been initiated by Polish-American, church, and other organizations. Where such activities are not under way, trade unionists should initiate them, reaching out to other groups with similar concerns, he said.

Kirkland himself planned to participate in a Dec. 12 demonstration in Washington sponsored by the Metropolitan Washington AFL-CIO, the Polish-American Congress, and the federation. Following a mass at St. Matthew's Cathedral, he and PAC President Aloysius A. Mazewski are to address a rally in front of the church.

List of workers

In his letter to affiliates, Kirkland said there is another way trade unionists can help Solidarity members in Poland. He said the AFL-CIO has received a list of hundreds of Polish workers—miners, steelworkers, teachers, and others—who have been sentenced to prison terms for their Solidarity activities.

"If you are interested in 'adopting' one of these workers, please contact the AFL-CIO regional director in your area, and we will furnish you with the name of the worker and information on his or her situation," he said. "The families of these workers need our moral and material support. We suggest a sponsorship contribution of $100."

Charles McDonald, executive assistant to the director of the AFL-CIO Dept. of Organization & Field Services, is coordinating the support effort nationwide.

Further hearings urged on nominee for NLRB chair

The AFL-CIO has asked the Senate Labor & Human Resources Committee to schedule further hearings on the nomination of Donald J. Dotson to be chairman of the National Labor Relations Board after the new Congress convenes in January.

AFL-CIO President Lane Kirkland wrote Committee Chairman Orrin G. Hatch that information received from affiliates "raises grave doubts" as to Dotson's suitability for the nomination. Dotson was a management labor relations lawyer for several major companies before his appointment as Assistant Secretary of Labor for Labor-Management Relations at the start of the Reagan Administration.

Kirkland said the AFL-CIO needs more time to double-check allegations reflecting on Dotson, noting that in one instance a negative comment was found to be "not in accord with the facts." The federation recognizes "its heavy obligations" to the nominee and to the Senate committee to make sure that its testimony is "scrupulously accurate," Kirkland said.

He urged that additional hearings be held before the committee acts on a nomination that is "so critical to the proper enforcement of the national labor policy."

EDITORIALS

Mending the Net

THE EXTENDED unemployment compensation system that was in place when President Reagan took office was an important part of the safety net that was supposed to cushion the severity of recessions and allow workers left jobless for long periods a shred of dignity.

It had been tested in previous recessions and found at least serviceable. Until this Administration came into office, the debate focused on how best to improve the program.

Unfortunately, there was virtually no debate last year when Congress rubber-stamped Administration proposals to abolish the national trigger for extended benefits, raise the insured unemployment rate necessary for state programs to trigger-on, and hasten the trigger-off date by not counting persons receiving extended benefits in calculating the unemployment rate.

At committee hearings, the AFL-CIO and its affiliates argued in vain against this exceptionally callous way of economizing. But the White House had discovered a way to get its most drastic proposals enacted without the need for a vote on the merits. Thus, the unemployment insurance changes were incorporated, almost intact, in the budget reconciliation measure that a subservient Congress enacted into law almost before you could say "David Stockman."

You could hear the safety net rip.

NOW, WE FIND that same Congress struggling with the consequences of its actions.

The recession that is now a near-depression has swept over every section of the nation, and the chairman of the President's Council of Economic Advisers tells us that it will be years before unemployment even drops below 7 percent.

Yet, thanks to the changes in law so hastily enacted, only 14 states now qualify for extended unemployment benefits.

Last summer, as unemployment worsened, Congress put a small finger in the dike with a temporary program of supplemental federal benefits. Even that, it should be noted, was to be paid for by the unemployed themselves—through a permanent change in tax laws that made unemployment benefits taxable for anyone whose income for the year was at least $12,000.

IT IS PERHAPS a welcome sign of the changed political climate that a plan being considered by the Administration to remove even that low exemption was dropped after a torrent of public protest.

Now, a House Ways & Means subcommittee has recommended another temporary benefit extension, although there is no assurance that the measure can hurdle all the legislative barriers in the few days left to this lame-duck session.

It should be enacted. The need is too urgent for delay.

And then the new—and one hopes much improved—98th Congress that takes office in January should make permanent repairs to a badly torn safety net.

The Right Bank

THERE IS no harm, certainly, in President Reagan's creation of a 29-member Committee on the Arts & Humanities to look into ways to encourage private support of the arts.

And if the committee he named happened to be a bit top-heavy with wealthy supporters of the President, the Republic has survived worse perils. Surely, they would at least set a good example with their checkbooks.

But it turned out that the Administration's plan to encourage private sector rather than government subsidy of the arts is to give its blue-chip committee $250,000 in spending money—to be taken out of the funds Congress appropriated for the National Endowment for the Arts.

The House Appropriations Committee very properly blew the whistle on that maneuver.

Washington Window

Jobless tax just another simplistic Reagan notion

By Press Associates, Inc.

While mass unemployment was casting a long shadow over the family dinner table this past Thanksgiving, the White House floated several proposals it said it was considering to deal with the problem.

One of those ideas looked so much like a turkey there was no chance it would get off the ground. The idea of taxing unemployment benefits was so sharply criticized by congressional leaders and organized labor that presidential advisers quickly killed it. From the western White House the word came that the President had first learned of the proposal in the newspapers.

White House spokesman Larry Speakes initially defended the notion of taxing jobless benefits as making it "less attractive" to be on the unemployment rolls. And presidential adviser Edwin Meese explained that "when unemployment benefits end, most people find jobs very quickly."

Stingy benefits at that

Far from being too generous, jobless benefits are generally stingy. In many states, maximum benefits are less than minimum wage income. In higher-wage industrial states that pay higher benefits, the maximum amounts are far less than the statewide average weekly wage. Moreover, only 42 percent of today's jobless are receiving any unemployment benefits.

The Administration also had said that the revenue gained from taxing jobless benefits could be used to finance jobs programs. But the AFL-CIO noted that raising revenue from the ranks of the unemployed would "punish twice the chief victims" of the Reagan economic policies.

Although the ill-fated tax-the-jobless proposal received most of the publicity, the White House tentatively advanced several other "jobs" proposals which merit the same fate.

One proposal would give vouchers for tax credits to employers who hire those who have been without jobs for long periods and who aren't likely to be hired even during an economic recovery.

But his tax subsidy for employers would do little or nothing to help these hard-core unemployed. A recent study by a Boston Federal Reserve Bank economist found that the New Jobs Tax Credit Program, a similar plan tried in 1977-1978, didn't work.

Subminimum wage

The third proposal, a subminimum wage for youth, is similar to the tax voucher idea in that the only real beneficiary would be the employer. Under this proposal, billed as a remedy for chronic youth unemployment, teenagers could be paid at some fraction of the minimum wage. The idea isn't new. It was defeated in the House in 1978.

Like the tax voucher, the subminimum wage wouldn't create new jobs but might transfer unemployment from one group of workers to another. With a subminimum youth wage, fathers and mothers might be fired and their sons and daughters hired.

The national minimum wage has remained at $3.35 an hour for the past two years. Its erosion by inflation already has turned it into a kind of subminimum wage.

The Administration prefers the kind of "jobs" programs that don't "cost" anything, unless one counts the cost, say, to those who receive jobless benefits.

But Congress is now moving on real programs to create hundreds of thousands of jobs. One program would rebuild and repair the nation's deteriorating highways, bridges and mass transit systems.

These are the types of programs that will help people to rebuild America and regain confidence—not the pennypinching, myth-perpetuating, failed ideas of the Reagan White House.

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THE IDAHO STATESMAN, Boise, Sunday, November 7, 1982

Batt lost election on right-to-work

Gov. John Evans probably spent well over $400,000 on his re-election campaign, but he'd be a lame duck today had it not been for the wrong-way-corrigan efforts of the rigidly single-issue right-to-work fanatics.

Some people seem to take a lot of learning, as the good ol' boy said when he knocked his assailant down for the seventh time.

In 1959, a right-to-work initiative on the ballot virtually split the electorate, with the measure failing 51-49 percent. But the controversial issue wiped out every Republican statewide candidate except Gov. Robert Smylie, who opposed it, and turned the Legislature over to Democratic control.

Steve Ahrens

This year, right-to-work was not on the ballot per se, although both sides were keenly aware that it was the key issue in the governor's race. Labor, confronted with what it considered to be a "do-or-die" situation, mobilized its troops as they probably never have been in Idaho, and the result was that Republican Phil Batt will be going back to growing onions instead of preparing to move into the governor's office.

If that seems a harsh judgment, consider these statistics. Bannock and Nez Perce counties, the two most heavily union-dominated counties in Idaho, handed Evans a 12,115-vote head start, an enormous disadvantage for Batt.

Other areas with substantial union membership also hurt Batt — including the state's two most populous counties, Ada and Canyon. Batt lost Ada by 415 votes, but Republican candidates Dave Leroy, Jim Jones and Nolan Young carried Ada County handily. There are enough union members in the state's most populous county to make their presence felt, and they did.

In Canyon County — his home territory — Batt won by a disappointing 2,218 votes. Yet this rural county was carried much more heavily by a couple of lawyers: Leroy, of Lewiston and Boise, by 4,561 votes; Jones of Jerome by 3,453.

Does anyone imagine that the concentration of union members in Canyon's Legislative District 12 didn't vote against Batt on the right-to-work issue?

The point is clear: This was a good year for other Republican candidates in Idaho, yet the party's flagship campaign ran aground. It cannot be mere coincidence this was the campaign in which right-to-work was most directly an issue.

I understand Batt's dilemma. He needed an issue to create some late-campaign momentum, and his sudden passion for right-to-work accomplished that. But those who live by the sword die by the sword. Union forces rallied for a fight to the finish, and in a close race they obviously made the difference.

Yet the "slow learners" still are with us. Witness Friday's news release from Peter Bratt, co-chairman of the Freedom to Work Committee, saying "Right to Work legislation will remain an issue in Idaho politics."

That is bad news for future Republican candidates, good news for future Democratic candidates, for the same reasons we have seen demonstrated in 1959 and again in 1982.

In the spirit of fairness, Idaho Democrats ought to budget annual payments to Bratt's Bunch for their "help," because the right-to-workers are being at least as effective in keeping a Democrat in the governor's chair as the Democrats themselves.

In fact, here's the secret to getting a right-to-work law passed in Idaho, and it won't cost a penny: Close up the Freedom to Work office, don't send out any more abrasive news releases, and just wait patiently for a Republican state to elect a Republican governor, which is virtually inevitable.

Then, if there still is significant sentiment for right-to-work legislation, it will pass without bloodshed.

Column above is reprinted from Boise (Idaho) Statesman of November 7. It relates the price paid by the Republican candidate for governor for making "right to work for less" a major campaign issue, at the prodding of RTW forces in the state. Republicans—many of them, anyway—have a habit of shooting themselves in the foot with the for-less issue. The prime example was 1958, when open-shoppers, with the cooperation of the GOP, got their issue on the ballot in six states, turned it into a national issue and helped bring on one of the worst GOP debacles in recent history. It was as devastating to them as Watergate would be later. Maybe some day the GOP will drop support of for-less from its national platform, and maybe its candidates will cut loose from the "right-to-work" issue that costs them so heavily.

Odds 'n Ends

ECONOMIC 'REPORT CARD' compiled by two University of California professors hands President Reagan a "D," worst of any President in last 40 years. Economic categories used to arrive at grade were real growth of gross national product, real income growth, inflation increase, housing starts, unemployment. Harry Truman got the only "A" in the bunch; "A-minus" went to Lyndon Johnson and Richard Nixon.

1982 'DOUBLESPEAK AWARD' of the National Council of Teachers of English goes to GOP for its TV sweet-postman campaign commercial crediting Reagan with social security cost-of-living increase. Award is given for public language that is "grossly unfactual, deceptive, evasive, euphemistic, confusing or self-contradictory." The fact was, the English teachers pointed out, "the cost-of-living increases had been provided automatically by law since 1975, and President Reagan tried three times to roll them back or delay them, but was overruled by congressional opposition."

VOTER TURN-OUT ROSE November 2 over recent non-presidential election years. Early figures show it hit 41 percent—not great, but first up-turn in mid-term elections in 22 years, and three percentage points higher than 1978.

BAIL-OUT FOR SOCIAL SECURITY, if needed, should come from general funds, large majority of citizens feels. Recent *Los Angeles Times* poll shows public wants President Reagan and Congress to seek new funds rather than reduce benefits or raise retirement age. And by 2-1 margin—59-28 percent—Americans feel source of new funds should be general revenues.

ONE'S OVER, and another one begins. No sooner were the votes counted November 2, than thoughts shifted promptly to 1984 and the presidential race. Named new head of GOP National Committee, Sen. Paul Laxalt (Nev.) says he wouldn't have taken job if he weren't sure Reagan will run for re-election. On Democratic side, Sen. Ted Kennedy (Mass.) says no go on presidential try. But Sen. John Glenn (Ohio) will come out of gate with declaration of candidacy late this month or early January. Sen. Alan Cranston (Calif.) expected to follow hard on Glenn's heels, with former VP Walter Mondale ready to anounce an "exploratory committee" in late January. Early spring announcement planned by Sen. Gary Hart (Colo.). Other probables: Sen. Ernest Hollings (S.C.), former Gov. Reubin Askew (Fla.).

Corporate Spending in State Elections

The Vast Underside of the Iceberg

Spending for U.S. House and Senate elections—some $300 million—was a big story throughout the recent campaign.

Yet, that's only the tip of the political-money iceberg, whose massive underside floats in the boundless seas of state legislative and ballot-issue elections.

No national total is presently available on state campaign spending. It is known to exceed by a huge margin total outlays for 1982 federal campaigns. In California alone, the state's Fair Political Practices Commission estimates $100 million in political spending, one-third as much as the nationwide total for U.S. House and Senate contests.

Since ballot issues are as common as oranges there and involve millions of dollars, California might be untypically high, but not so much to challenge the notion that state political spending exceeds federal.

Major factors in the ballooning political outlays in state elections—as in federal—are corporate and trade group political committees (PACs) and individual corporations themselves, which in many states can legally pony up political money directly from the corporate kitty, as distinct from the corporate PAC.

In most states, the PACs and corporations can give to their heart's content. The restraints on contributions that exist at the federal level—$5,000 to a candidate for his/her primary, another $5,000 for the general election—are absent in most state campaign laws.

With the sky the limit, PAC money accounted for fully two-thirds of the funding for legislative candidates and ballot issues in 1982, compared to a 22-25 percent range of PAC funding in U.S. House and Senate campaigns.

The immense amounts of corporate/trade group money available create many campaigns for state legislatures more costly than most races for Congress. Several $1 million-plus state legislative contests were waged in California (a legislator receives a yearly salary of $28,000).

In California, 71 PACs and individual corporations exceeded $100,000 in contributions (probably a larger number than federally-registered PACs), compared with 49 two years ago and only 16 in 1978. Several big corporations kicked in more than $200,000. Biggest over-all contributor was California Medical PAC which gave $442,290 through June 30 and doubtless added a bundle to that between then and November.

Trade groups representing lawyers, insurance firms, realtors and bankers were the other most lavish spenders.

The focus on state elections by business/trade PACs, some commentators believe, comes largely from the idea that action of keen interest to them at the state level will increase in proportion to President Reagan's success in shifting federal programs to states and localities. The business people want to get in on whatever benefits this can provide them.

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LEGISLATIVE ALERT!
PAGE 8

Jobs package adopted by House

Kirkland vows American labor's continued support for Solidarnosc.

$5.4 billion program tied to appropriations measure

By David L. Perlman

The House voted 215-191 to include funds for labor-supported emergency jobs programs in an appropriations bill that must be passed before Congress adjourns.

The next move is up to the Republican-controlled Senate, caught between constituent pressure to bring down unemployment and President Reagan's "stay the course" demand.

House Republicans tried unsuccessfully to put together a conservative coalition to delete the $5.4 billion earmarked for short-term public works that would employ those who have been out of work the longest, for emergency assistance to the jobless, and for additional funds for housing and other ongoing federal programs.

But the coalition came up short when only 20 Democrats supported the motion to delete the job funds, and seven Republicans broke the other way.

The expectation on Capitol Hill as the lame-duck session of Congress moved into its final hours was that Senate Republicans would try to pare the added jobs funds down to a level acceptable to the White House, with the final version shaped in last-minute House-Senate negotiations.

The jobs package wasn't the only controversial measure tied to the must-pass resolution that carries funds for government departments whose appropriations bills have not cleared Congress.

Additional riders

The bill sent to the Senate includes a partial lifting of the pay ceiling on the salaries of members of Congress, the judiciary and top federal executives. It reflects a House vote to kill further funds for the Clinch River nuclear breeder reactor. And if the military appropriations bill does not clear Congress separately, it also would be the vehicle for resolution of the MX missile controversy.

Meanwhile, the Senate's timetable was set back by a filibuster led by a small group of right-wing Republicans against the gasoline tax to finance a federal highway repair and mass transit program which would have a byproduct of an estimated 300,000 jobs.

The Senate invoked cloture with a 75-13 vote that allowed the House-passed bill to be called up. But a later attempt to limit debate on the bill itself failed when Democrats voted against cloture to block an attempt by the Republican leadership to sidetrack an amendment adding two to five weeks of unemployment benefits.

The Senate refused, by a 50-47 vote, to table and thus kill the amendment extending jobless benefits.

Senate Democrats lost by a 53-44 vote an earlier attempt to add $5.3 billion for jobs programs and additional weeks of unemployment compensation to the highway-transit measure—and to pay for the entire package by a three-year deferral of the portion of next July's 10 percent income tax that would go to persons with incomes over $50,000 a year.

The AFL-CIO had praised the Demo-

Continued on Page 5

Rally backs Solidarity

Polish workers given new pledge of support

By James M. Shevis

Even if martial law in Poland eventually is fully lifted, American labor will not rest until the independent Solidarity trade union is restored to the Polish workers, AFL-CIO President Lane Kirkland vowed at a Washington rally in support of the Polish union.

"Until that goal is met, we will oppose any relaxation of sanctions against Poland and the Soviet Union," Kirkland declared.

"Poland was a police state before the imposition of martial law, and dissenters were thrown into prison before the imposition of martial law," he observed. "We are not satisfied to return to that state of affairs, as if Solidarnosc had never appeared."

People's quest

The people of Poland want a free trade union movement; they want a voice in their own destiny, Kirkland said.

"Nothing the regime can do or say can erase that yearning. It is a specter that will haunt the Polish dictators—and their Moscow masters—long after they have passed into the history books in permanent disgrace."

Kirkland spoke outside Washington's St. Matthew's Cathedral, where earlier hundreds had turned out on a cold, snowy day to attend a mass marking the first anniversary of the Polish authorities' crackdown on Solidarity, the first independent labor union in a communist-ruled nation.

"We are demonstrating today to show our support for our brothers and sisters in Poland, who want nothing more than to associate freely and form unions of their choosing," said President Joslyn N. Williams of the Metropolitan Washington AFL-CIO, sponsor of the rally along with the Polish American Congress.

In a stirring homily at the mass, Msgr. George G. Higgins noted that the Poles have shown the world throughout their tragic history that they are "a fearless and valiant people, fully prepared to struggle against absolutely impossible odds for their freedom and their independence."

He asked prayers for both the leaders of the Polish Catholic Church and the

Continued on Page 3

Kirkland assails move to revive Caribbean plan

A last-minute maneuver to revive the labor-opposed Caribbean Basin Initiative and pass it in the final hours of the post-election Congress drew a sharp protest from AFL-CIO President Lane Kirkland.

Kirkland wrote House Speaker Thomas P. O'Neill, Jr., Majority Leader Jim Wright and other members of the Democratic leadership to stress the AFL-CIO's strong opposition to enactment of a bill that would wipe out U.S. jobs, "pushing this country into further economic distress."

Congress has already voted direct economic aid for Caribbean nations—a concept the AFL-CIO has endorsed. But the controversial second half of President Reagan's Caribbean Basin Initiative—allowing duty-free entry into the United States for the products of most Caribbean nations—appeared to have been sidetracked because of its obvious impact on unemploymnt.

Revival effort

Then, with White House prodding and the concurrence of the House leadership, the Ways & Means Committee approved the measure and the Rules Committee hastily cleared it for the House floor. A welcome mat was assured in the Senate if it passed the House.

Kirkland protested that the Caribbean measure flies directly counter to the legislative program to create jobs and start the nation to economic recovery, which he stressed should be the focus of the post-election Congress.

American workers, he said, aren't able to understand how domestic content legislation to create more jobs can be sidetracked short of final enactment, while Congress finds time to legislate job losses. If other job-stimulus measures are blocked from enactment, Kirkland warned, "we could come away from this session having legislated a tragic net loss of jobs."

He described the Caribbean initiative as "a misguided proposal tailored to the selfish designs of its supporters, the multinational corporations." They seek a "bonanza of cheap wages" and freedom from health and safety requirements, Kirkland charged.

2 more mergers completed, unions seek stronger base

Union merger agreements approved at special conventions united the 160-year-old Hatters with the Clothing & Textile Workers and brought the unaffiliated 80,000-member National Association of Government Employees into the Service Employees.

The 65 Hatters' delegates meeting in New York voted unanimously to bring the 8,000-member union into ACTWU while the 400 NAGE delegates in Washington voted by a 6-1 margin to merge with the SEIU.

The executive boards of both the SEIU and ACTWU approved the merger agreements. Under their constitutions no further action is required to consummate the mergers.

The SEIU-NAGE merger, which is retroactive to Dec. 1, brings the total Service Employees membership in the United States and Canada to nearly 800,000 workers.

About half the NAGE members are federal employees, mostly with the Defense Dept., Veterans Administration and the Air Force. Another 20,000 are state and local government workers and 20,000 others are members of the International Brotherhood of Police Officers.

SEIU President John J. Sweeney and NAGE President Kenneth T. Lyons welcomed the merger as providing a strong base for public sector organizing.

"The merger strengthens both unions and brings a halt to debilitating raiding between NAGE, SEIU and other AFL-CIO unions," Sweeney said. "Now we can bring our full attention and resources to bear on attacks on public employees and unwise budget cuts."

Continued on Page 4

12/18/82

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Management consultants

Stacking the deck against workers

On one side, an anti-union employer, guided by a union-busting law firm, encouraged by the local Chamber of Commerce and business community, and supported by national banking interests.

On the other, 150 rural low-wage North Carolina workers in a machining plant who want to form a union to overcome their intolerable working conditions.

A fair contest? Hardly.

But it is typical of the kind of challenge workers are facing in the anti-union atmosphere of the Reagan Administration which permits, and even encourages, management to resist at all costs worker attempts at union representation.

In the rural county of Robeson, N.C. (population 105,000, average weekly wage $105), employees at the Mueller Steam Specialty Co. in Lumberton have been attempting for three years to join the Molders union. They are still trying.

Their experience has all the anti-union ingredients that employers and their management consultant agents are applying to today's labor-management relations. It reflects, as well, the determination and courage that workers are showing in the face

Third of a Series

of enormous odds as they battle for their legal right to representation.

Robeson County was not the most favorable setting for union organizing when Carl "C.W." McDonald and other Mueller workers contacted AFL-CIO Industrial Union Dept. organizer Estes Riffe about forming a union at the plant. The only union members in the county were those covered by national contracts, including the telephone company, post office, and a grocery and retail outlet.

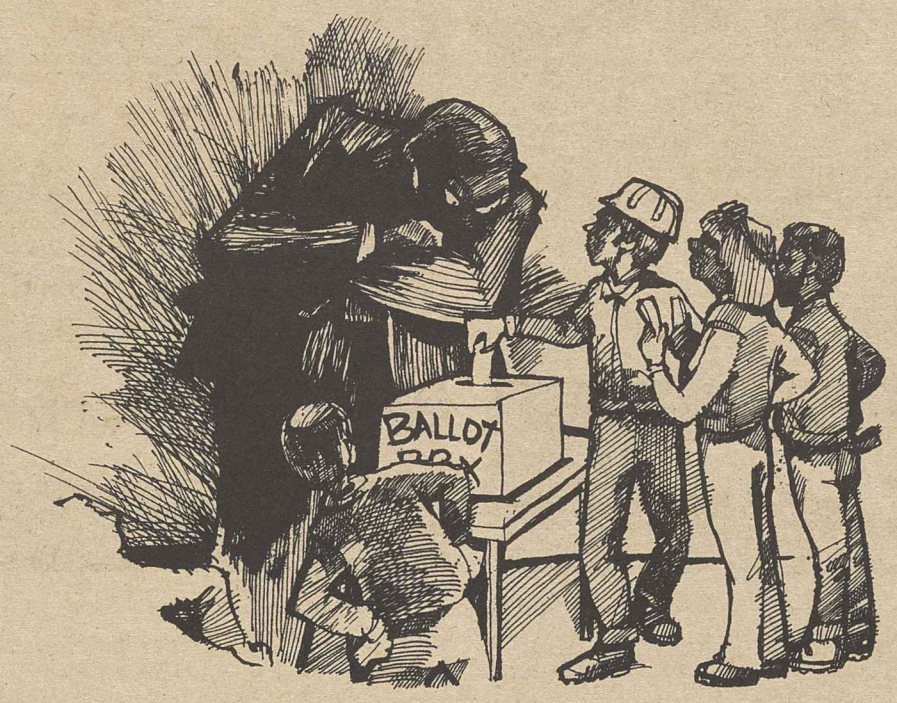
Poor working conditions

Mueller employees had been working at the plant, a vacated textile mill, on World War II surplus lathes, drill presses and milling machines, turning out precision valves for industrial pipes. There was no ventilation and an exhaust system blew hot air in their faces. There were growing complaints, despite good (for the county) wage rates of $4 to $8 an hour.

Worker frustrations finally gave way when management instituted a "point system" under which points were levied for being late for work or absent without a medical excuse or for mistakes on the job. Those workers accumulating a certain number of points were fired. The points, it turned out, went to workers the supervisors didn't like.

When the workers contacted the union organizer, Mueller management opened its counterattack. Its persistent and continuing attempts to keep the union out of the plant were recently recounted in the magazine Southern Exposure in an article entitled "Bucking the System." The Mueller employees are still bucking the system.

After contacting Riffe, a Steelworker on loan to an IUD organizing campaign at a local glass factory, the workers began signing cards "by the dozen." Mueller plant president Bob Whritenour countered by hiring a union-busting law firm from Atlanta—Elarbee, Clark & Paul.



The article recounts what happened when the management consultants came on the scene:

"Supervisors were instructed to interview workers for their attitudes about unions, and the lawyers kept a list with a running total of the pros and cons. Rumors spread that the plant might close if the union won. Bob Whritenour showed both shifts a movie which graphically portrays how a plant that voted in a union went through a violent strike.

"Workers charge they were repeatedly harassed about their union stance; several say that, as the election approached, they were offered promotions to supervisor positions 'for their loyalty.' "

The management tactics failed. On Feb. 14, 1980, the workers voted 89 to 46 in favor of the union in a National Labor Relations Board representation election.

But that was only the beginning. Instead of bargaining on a worker contract with Molders union representatives, Mueller ran an ad in the local paper "accepting applications for first and second shifts" at the plant. Mueller's move, the article notes, came after the town mayor and head of the local bank went to see Mueller's parent company, Core Industries, in Detroit, to complain about the union's victory.

Management's retaliation

Mueller followed up the ad by firing several union activists. Union supporters recounted how "supervisors harangued them that week with threats to shift them to more strenuous jobs, withhold their pay raises, close the plant and give their future employers poor job references." Mueller tried and failed to have the NLRB overturn the election results after claiming abuses on the union side.

Mueller management pushed the point system. Employee Wanda Campbell, quoted on supervisor actions, said they began "riding us, watching everything we did for something to give us points on. They'd follow me to the bathroom, or just stand there watching you do your job. You couldn't get upset, you had to outthink them."

The union began filing unfair labor practice charges against company threats and harassing pro-union workers. The company countered, filing "exceptions" to the election and attempting to delay NLRB certification. Then it fired union activist Donny Beck for an "unexcused absence."

Fears mount

Employee C.W. McDonald, who first contacted the union, said with the firing "the fear definitely picked up at the plant. A lot of those who had been with us stopped coming to the union meetings."

The Southern Exposure article recounts how Beck was blacklisted from finding another job in the community and discovered "his name on a list being circulated by the Chamber of Commerce." The company campaign went on, with 16 more pro-union workers laid off.

Under disputed circumstances, "after we spoke about what the company was doing to me and other workers," Beck reportedly went to company officials with information that the company used to file more objections against the election. A Molders' organizer told the magazine that Beck "privately apologized to him for betraying the union by giving the company false information."

Following the management consultant formula in fighting unions, a decertification move was initiated. With the assistance of the Chamber of Commerce, three Mueller workers drew up a petition to decertify the Molders union. A management newsletter said those involved in "the anti-union movement . . . adhere to management's wishes."

With the charges pending before the NLRB, the petition had no legal authority. Firings of union supporters continued. The Chamber circulated their names and they were blacklisted by other employers. "Even those union supporters who eventually signed found they too were blacklisted from other jobs when Mueller laid them off," the article noted.

But the union and its supporters persisted, with the aid of comunity organizations. The local chapter of the Clergy and Concerned Laity (CALC), after interviewing both sides said the "proceedings against the company have not stopped management personnel from intimidating employees who are openly pro-union and from creating an environment of fear in the workplace."

CALC staff representative Rev. Mac Legerton advised, "Business leaders have the Chamber of Commerce, doctors have their medical associations, lawyers their legal guilds, students their clubs—but laborers are denied their right to form labor organizations. That's the moral hypocrisy that we must challenge and change."

In another move, after discovering that the National Bank of Detroit was the prime lending institution to the parent Core Industries, union supporters began contacting the bank with complaints about its subsidiary, Mueller. In return, they got a bank form letter claiming these were union, not employee, allegations.

Then the Detroit AFL-CIO joined in, advising the bank of 12 large union funds that were invested with it. Quickly, the bank scheduled a meeting between union, bank and company officials. Bringing the corporate representatives into the situation for the first time was a significant achievement. But the company persisted in its anti-union stance.

As part of its strategy, CALC and union representatives purchased Core stock, attending its stockholder meeting last January. Core president Harold Marko promised to recognize the union after an "honest" election, even while laying off more union supporters. The workforce at Mueller has declined to some 85 employees. "Some speculate," the article says, "the plant will close before it signs a union contract."

More firings

In mid-year, the NLRB was still taking testimony on the charges. Along with many others, "C.W." McDonald had been laid off and has only been able to find seasonal work in the tobacco houses.

But the workers are far from defeated. McDonald says, "If I go back in there, I'm going to go after it like I did before." Ernest McDougald is working as a house painter after his discharge, but continuing the campaign. He told Southern Exposure:

"Change is going to come because of people like us. Getting the union elected shows others that you can organize, and that you don't have to walk around with your head down. You don't have to let the man tell you how it is."

Factory use declines to post-Depression low

The nation's factories operated at only 67.8 percent of capacity in November, a post-Depression low, Federal Reserve System economists reported.

The decline was blamed on "sizable production cutbacks" in the auto and business machine industries. Auto industry production was only 48.7 percent of capacity.

Overall factory production dropped four-tenths of 1 percent in November and the drop in utilization was five-tenths of 1 percent.

High court blocks R-T-W campaign fund scheme

The National Right to Work Committee violated federal election law by the manner in which it solicited funds to help elect congressional or presidential candidates who want to outlaw the union shop, the Supreme Court ruled.

The court's unanimous decision backed the position taken by the Federal Election Commission and supported by the AFL-CIO in a brief.

At issue was whether everyone on the Right to Work Committee's mailing list was a "member" of the organization who, under the Federal Election Campaign Act, could be solicited for a political action committee set up by a corporation.

Corporations and unions can't make contributions to federal political campaigns.

But business corporations may solicit stockholders and executive or administrative employees, and unions may solicit members, for a separately administered political action committee.

Non-stock corporations, a category which includes the R-T-W committee, may solicit only members.

The Supreme Court said the membership cards the National Right to Work Committee sent to anyone who contributed to the organization or even expressed a sympathetic view did not make them members in the sense Congress intended.

The supposed members "play no part in the operation or administration" of the National Right to Work Committee, the Supreme Court noted.

Those "members" elect no officials, "and indeed there are apparently no membership meetings." Nor do they "exercise any control over the expenditure of their contributions," Justice William H. Rehnquist wrote in the high court's decision.

The justices overturned a 1981 decision by the U.S. Court of Appeals for the District of Columbia Circuit, which held that a flexible interpretation of the term "member" was needed to meet constitutional tests on protected political expression.

If the appellate court's view had prevailed, the AFL-CIO noted in its brief, non-stock incorporated organizations would be able to use their funds to solicit political contributions beyond the boundaries set by Congress for unions and business firms covered by the law.

A federal district court, acting on the complaint brought by the Federal Election Commission, had levied a $10,000 civil fine for the R-T-W committee's violation.

Commenting on the case, AFL-CIO Special Counsel Lawrence Gold noted the frequency with which the National Right to Work Committee has filed charges, "usually groundless," against other organizations for federal election law violations. Now it has been found to be the lawbreaker, he said.

Vice President George Bush, Sen. Edward Kennedy (D-Mass.), and AFL-CIO President Lane Kirkland admire a photograph taken by Michael Judge in Poland. Judge spent two years in Poland before the communist government's crackdown on Solidarity.

Polish artist Jan Sawka was made an honorary member of the Graphic Arts union. GAIU President Kenneth J. Brown made the presentation as Federation President Lane Kirkland joined in the ceremony at the AFL-CIO headquarters.

Rally presses support for free Polish unions

Continued from Page 1

leaders of Solidarity in whatever form the labor movement may take in the future.

"They are in for extremely hard days as they struggle against tremendous odds to re-establish an autonomous trade union movement in Poland," he said. "May God be with them."

In a weekend of fast-moving events, Poland's military leader, Gen. Wojciech Jaruzelski, went on state-run television to announce that "the main rigors" of martial law would be suspended by the end of this year. But he made it clear that the Army would continue to play a major political role in Polish life.

Three bills to implement Jaruzelski's plan for a gradual phasing out of martial law were presented to Poland's parliament earlier this week. Taken together, the measures leave the state with sweeping powers —including the power to restore martial law restrictions at any point it chooses. The bills preserve press censorship, military courts, prison sentences for distributing anti-government leaflets, use of the hated ZOMO, or riot police, and the militarization of some factories, mines, and transport facilities.

Jaruzelski, who is Communist Party leader, premier, and defense minister of Poland, said that internment would no longer be used and promised a partial amnesty for those underground leaders of Solidarity who escaped detention when martial law was imposed a year ago. Solidarity itself was outlawed nearly two months ago.

For weeks, the military junta had hinted that it planned to suspend martial law—imposed after 15 months in which nearly all Polish workers abandoned the official, communist-run trade unions to flock to Solidarity's banner. The government hoped that Western nations in return would end their trade sanctions against Poland, imposed after the military takeover.

Both the United States and the 10-nation European Community have adopted a wait-and-see attitude until it becomes clearer just how much freedom Poles will have under the new government rules.

ICFTU charges

"The only things which have been suspended so far in Poland are human, civic, and trade union rights," Gen. Sec. John Vanderveken of the International Confederation of Free Trade Unions commented upon learning of the somewhat eased restrictions.

Vanderveken said at the ICFTU's Brussels headquarters that the Jaruzelski regime's claimed suspension of martial law will not improve the situation unless it is immediately linked with the lifting of all repressive measures against Polish workers, the full respect of human and trade union rights and freedoms, the release of all detained trade unionists, the re-installment of Solidarnosc and of people dismissed from their jobs because of their trade union activities, and an amnesty for those sentenced for the same reasons.

Alarming reports

"Information reaching us from Poland is more than alarming," said Vanderveken. He advised the ICFTU's 133 affiliates in 93 free world countries to maintain pressure on their national governments and credit institutions to view diplomatic, economic, and financial relations with the Polish government in light of the "real trade union and human rights situation" in Poland.

In a letter to Jaruzelski, Lech Walesa, the leader of the banned Solidarity trade union who was freed Nov. 14 after 11 months in detention, outlined several conditions for achieving national reconciliation in Poland.

Social and economic stability can be achieved "only if the August 1980 agreements are taken as the basis," Walesa said. Those accords ended the shipyard strike in Gdansk, and gave birth to Solidarity.

He called for the automatic release of all internees, reinstatement of all workers discharged for union activity, and "a breakthrough on the trade union impasse by the return to the principle of plurality" —an appeal for the restoration of the status quo before martial law when independent unions operated openly, frequently in competition with the government-run labor organizations.

In the United States, Solidarity's supporters were skeptical about the actions taken by the communist authorities. Eric Chenoweth, executive director of the Committee in Support of Solidarity in New York, observed that "the martial law decrees have been implanted into the laws."

Broad support

At the rally outside St. Matthew's Cathedral, expressions of support came from spokesmen for Polish-American organizations and groups representing Russians, Czechoslovaks, Latvians, Ukrainians, Vietnamese, Estonians, Lithuanians, and Afghans living in the United States.

A member of the National Alliance of Russian Solidarists, a Russian relief group, distributed leaflets urging support for SMOT, an unofficial organization formed in the Soviet Union four years ago to defend the rights of Soviet workers. SMOT, the Russian acronym for Free Interprofessional Labor Union, has goals similar to those of Solidarity.

Jan K. Miska, president of the Washington metropolitan area division of the Polish American Congress, thanked the AFL-CIO for the moral and national support it has given Solidarity and the Polish workers over the past two years.

"I believe the American people will not abandon Poland and its people under the yoke of communism," he said. "The spirit of Solidarity remains alive."

Chris Michejda, president of Friends of Solidarity, introduced some of the dignitaries in the crowd, including Senators Charles Percy of Illinois and Frank Murkowski of Alaska, both members of the Senate Foreign Relations Committee, and former U.S. Ambassador to Poland Richard P. Davies.

Both at the rally and at a reception the AFL-CIO gave at federation headquarters for an exhibition of Polish art, contributions were collected for the Polish Workers Aid Fund established two years ago after Solidarity appealed for Western aid. Among those attending were Vice President George Bush, Sen. Edward M. Kennedy (D-Mass.), former Sec. of State Alexander Haig, Atty. Gen. William French Smith, and Labor Sec. Raymond Donovan.

Posters and pictures

The reception, cosponsored by the Graphic Arts union, honored Michael Judge for his photographs and Jan Sawka for his poster. Judge, a native of Washington, D.C., spent two years in Poland, capturing the life of the people at a time of great political unrest there.

Sawka, who was expelled from Poland in 1976 for his participation in a group of artists and actors who sought greater freedom of expression, was made an honorary member of the GAIU. Both artists are contributing proceeds from the sale of their work to the Polish Workers' Aid Fund.

Since the AFL-CIO launched a drive to replenish the fund a week ago, about $10,000 has come in. The art sale at the reception for Judge and Sawka realized a large share of this amount.

Contributions should be sent to the AFL-CIO Polish Workers Aid Fund, Room 809, 815-16th St., N.W., Washington, D.C. 20006.

Suriname junta denounced for executions, suppression

The AFL-CIO and the International Confederation of Free Trade Unions demanded that the military government of Suriname observe international conventions guaranteeing the right of all workers to associate freely, and deplored the wanton slaughter of trade unionists and other Surinamese nationals last week.

In telegrams to Lt. Col. Daysi Bouterse, chairman of Suriname's military Policy Board, Kirkland and the ICFTU's Gen. Sec. John Vanderveken called on the Surinamese government to respect International Labor Organization Convention 87, which that government has ratified, providing for freedom of association.

Opposition leaders killed

Their action followed the killings Dec. 9 of virtually the entire leadership of the oppositionists in Suriname, which in recent months had pressed the military regime for free elections and the creation of democratic institutions.

Kirkland said the killings were "outrageous violations of basic human and trade union rights" that constituted an insult to all civilized people.

"In the name of 15 million organized workers in the United States, we demand immediate cessations of violations and absolute guarantee for the safety of Cyril Daal and all other Moederbond members," Kirkland said. Moederbond is the nation's largest trade union organization.

It was later learned that Daal and at least 23 others were murdered by the military government under the pretext of preventing an escape. The junta had arrested the labor leaders, journalists, students, and educators under the guise of preventing a coup d'etat. After word of Daal's execution surfaced, a general strike broke out in the former Dutch colony, and an undetermined number of workers were killed by the military.

The AFL-CIO and the ICFTU have asked all affiliates to protest the junta's actions before appropriate international bodies.

State Dept. officials said that in light of the killings, the U.S. government is reviewing its entire relationship with Suriname, including its aid program. Economic aid to Suriname, which is on the north shore of South America, totals $1.5 million in 1982 and 1983.

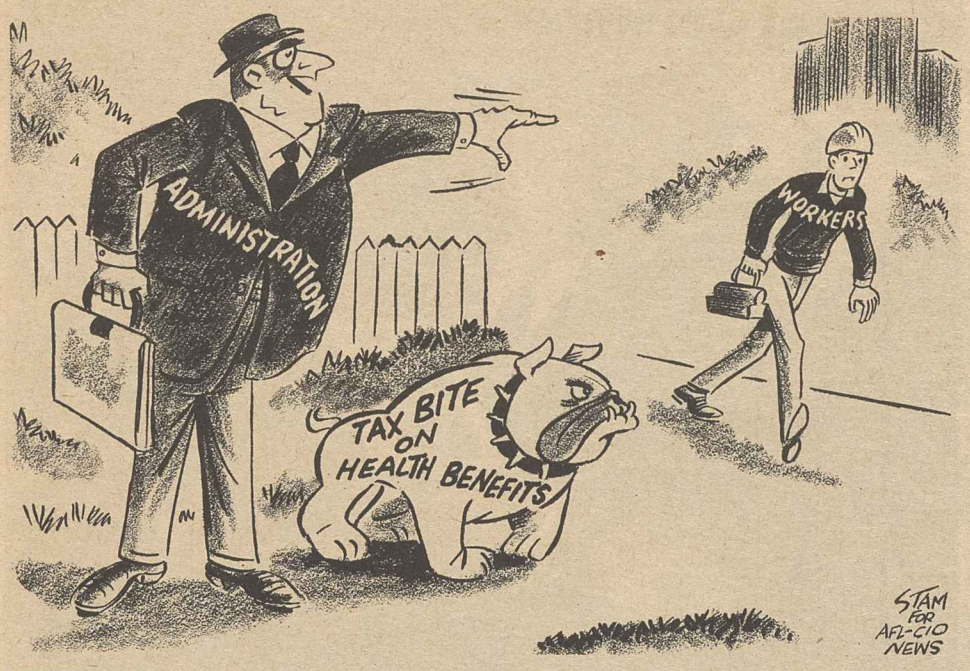
Barbara Warden gets Consumers League post

Barbara Warden, executive director of the Budget Coalition, has been named executive vice president of the National Consumers League by the organization's board of directors.

She will replace Sandra L. Willett who has been the 83-year-old consumer organization's chief executive since 1976. Willett will join John Hancock Mutual Life Insurance Co. as a senior consultant for consumer affairs.

Warden will assume her new post Jan. 3. She has directed the labor-supported coalition since March 1981 in its efforts to oppose the Reagan Administration's deep cuts in the budget for social programs. She had previously held positions with Congress Watch, the Coalition for Children & Youth, the American Home Economics Association and the White House Conference on Families.

'Sic 'im!'



2 more mergers completed, unions seek stronger base

Continued from Page 1

In recent years, NAGE, SEIU and other AFL-CIO affiliates ran into jurisdictional disputes over representation rights for government employees. Sweeney said the merger should resolve this situation because of the Article XX provision in the federation's constitution for the settlement of internal disputes.

Under the merger arrangement, Lyons reported, NAGE will retain its autonomy and continue to elect its own officers, while NAGE members will make monthly per capita payments of $2.25 to the SEIU. That is the same amount paid by members of other SEIU affiliates. NAGE is headquartered in Boston.

Existing NAGE locals will be chartered as separate SEIU locals, and five of the union's top officers, including Lyons, will be placed on the SEIU executive board.

Prior to the merger, the SEIU had about 15,000 members employed by the federal government, most at the Veterans Administration and the Public Health Service.

Under the Hatters merger agreement, the union becomes the Headwear Division of ACTWU, similar to the existing Apparel, Textile and Shoe divisions which evolved from earlier union mergers.

Merger provisions also call for Hatters' President Nicholas Gyory to serve as director of the new Headwear Division. He will become an ACTWU vice president and serve on the union's executive board.

Other details of the merger, including the per capita arrangement for Hatters' members, are being worked out.

In addressing the merger convention, ACTWU President Murray H. Finley underlined the need for unity in labor's ranks.

"Faced as we all are with a hostile Administration in Washington and with the depressed economy, it makes sense to join our forces and mobilize for the future," Finley stressed.

Gyory cited the Hatters' long and rich history and tradition, as well as the current problems workers are facing. He made a rousing call for affiliation with ACTWU.

The United Hatters, Cap & Millinery Workers International Union traces its roots to a group of New York journeymen, which in 1822 organized to form a closed shop. Local unions emerged in several eastern cities during the 1830s and led to the founding of the U.S. Hat Finishers Trade Organization in 1854.

In the 1890s, it was the target of an antitrust suit in the famous Danbury Hatters case in which employers sought to destroy the effectiveness of the union boycott.

West Virginia labor heard on Public Radio

Charleston, W. Va.—West Virginia's six public radio stations are now broadcasting a weekly series on labor issues provided by the State AFL-CIO.

The three-minute commentaries, by State AFL-CIO President Joseph W. Powell, are aired on National Public Radio's "Morning Edition" program.

Message on imports

Domestic content bill wins House approval

The House voted 215-188 for a labor-sought bill that would set a substantial domestic content requirement for motor vehicles sold in large quantities in the United States.

If it became law, the major Japanese auto manufacturers would be obligated to set up production facilities in this country and use mostly U.S. components.

With the Reagan Administration adamantly opposed, there was no likelihood of Senate approval in the final hours of the congressional session. But the strong House vote was being read as a message to America's trading partners that the United States isn't prepared to give up its industrial base in the name of "free trade."

The AFL-CIO, the Auto Workers and other unions whose members have felt the brunt of the capture by imports of a big share of the U.S. market have pressed the domestic content concept as an alternative to tariff and trade barriers. It would assure a broad choice for consumers while recapturing lost jobs.

Jobs at stake

At stake are jobs in steel, rubber, glass and other suppliers of the auto industry, as well as assembly-line production.

More than half the House membership had co-sponsored the bill, and substantive amendments to weaken its provisions were voted down during the debate. The House did adopt, 195-194, an amendment specifying that the legislation would not supersede the provisions of any treaty or agreement on tariffs and trade to which the United States is a party.

The Senate Commerce Committee held hearings on the legislation the day after the House vote, and the AFL-CIO told the panel that close to one million jobs could be gained if the bill became law.

Legislative Rep. Stephen Koplan challenged the argument of opponents that domestic content legislation would lead to retaliation against U.S. products by other nations.

Overseas experience

Countries such as Australia, Brazil, Mexico, South Korea and Spain have domestic content requirements that have produced jobs, not retaliation, he noted.

The legislation would not affect firms that sell fewer than 100,000 vehicles a year in the United States. The domestic content requirement would rise with additional volume of sales. When fully effective, in the 1986 model year, firms selling more than 900,000 vehicles a year in the United States would have to meet a 90 percent domestic content requirement.

AFL-CIO Legislative Director Ray Denison applauded House passage of the legislation as "heading America in the right direction."

Only a handful of the hundreds of bills awaiting congressional action were given a realistic chance of final passage in the waning hours of Congress.

The House debated at length an immigration bill, but dozens of amendments were still to be voted on when the AFL-CIO News went to press.

Confirmation delay

Administration hopes of getting Assistant Sec. of Labor Donald Dotson confirmed as chairman of the National Labor Relations Board were dashed when the Senate Labor & Human Resources Committee failed to muster a quorum two days in a row. The AFL-CIO had urged further hearings in the new Congress, and Committee Chairman Orrin Hatch said the nomination will be taken up early in January.

A Senate-passed bill to toughen penalties against corrupt union officials remained stuck in a House subcommittee despite AFL-CIO President Lane Kirkland's call for passage before adjournment.

Increasingly, with the Senate mired in delaying tactics over the highway and transit bill, the funding resolution for government departments was being looked at as the last-hope vehicle for bills that would otherwise die with the adjournment of Congress.

On the immigration bill, the AFL-CIO urged the importance of including provisions drafted by the House Labor Committee to assure that U.S. workers will not be displaced by temporary workers brought in from other countries. The AFL-CIO position was for inclusion of stiff penalties against employers who knowingly hire illegals, a work-related identification system, a generous and fair amnesty program for persons already in the United States, and a tightly-controlled temporary foreign workers program.

Also on the House schedule was a housing bill containing new authorization for low-income housing assistance, operating subsidies for public housing projects, funds to help develop housing for the homeless, and a new program to assist homeowners facing foreclosure because of inability to make mortgage payments as a result of unemployment or other substantial loss of income due to circumstances beyond their control.

Struck firm's false charges cost it $4 million

Greenville, Ga.—A jury in this rural county seat has awarded over $4 million in damages to a Laborers' shop steward falsely accused by his employer of violence during a strike.

Landis Ray Bishop, chief steward for Laborers' Local 246 at Georgia Kraft Co., was awarded $4.18 million in punitive and compensatory damages by the Meriwether County superior court jury. After hearing evidence that the company instigated trumped-up charges against Bishop as part of a plan to break a four-week strike in 1979, the jury agreed that he had been "maliciously prosecuted." Bishop charged that in November 1979, he was arrested and held for several hours after the plant manager, Garnett McCollum, urged another non-union employee, William Walker, to swear out a criminal complaint accusing Bishop of aggravated assault and threats of violence.

The strike was resolved by a contract settlement and the charges against Bishop were dropped in 1980 after Georgia law enforcement authorities discovered the company's complicity in making the accusations.

Bishop's attorney, B. Randall Blackwood, said the company had fabricated the accusations in order to obtain a court order against the union during the strike and to bolster its own case in a separate civil damage suit against Bishop, other union officials and the union itself.

In that suit, Georgia Kraft sought $1 million from the union, its officers and 21 members, alleging that violent acts by union members during the 1979 strike cost the company $263,166.

That case was thrown out on a technicality by the Meriwether County court judge in August of this year, but the company has since moved for a new trial.

Unfounded charges

Frank Barnes, business manager for the Laborers regional district and one of the officials charged by the company, said other incidents of violence cited by the company are just as unfounded as the case against Bishop.

Barnes said the company, while admitting it could not tie a single act of violence to a specific person, "went into a three-county area and collected any act of violence that occurred during the four-week strike and then charged that all those acts of violence were related to the strike."

The union has already produced evidence discrediting a number of the incidents in the company's case. Barnes said he and other union officers are also considering suing Georgia Kraft for making false accusations against them.

He asserted that acts of violence had been directed against the union and its supporters, including an incident in which shots were fired into his hotel room moments after he left it.

Bishop was awarded punitive damages of $4 million from the company and $500 from McCollum as well as compensatory damages of $175,000 from Georgia Kraft Co., $500 from McCullum and $100 from Walker.

Following the jury's decision, Bishop said he believed justice had been done. He said his arrest, permissible under Georgia law that allows prosecution based on statements sworn in a warrant, was an attempt by the company to break the strike.

Atty. James E. Butler, Jr., who also represented Bishop in the case, said the results should "send a message" to companies who abuse the criminal justice system to break strikes. Workers are entitled to their rights, Butler said in a statement, "and if you try to get them locked up wrongfully you are likely to have to pay for it."

Georgia Kraft Co. pursued the case, he asserted, not because Bishop had committed any crime, "but because they wanted to embarrass him and intimidate other striking employees."

Blackwood observed that this type of "corporate misconduct" is not uncommon. But it frequently "goes unrecognized and unredressed" because in most cases corporations can muster so much strength and legal muscle that "the economics" of fighting back are "not cost effective."

Unjustified harassment

Georgia AFL-CIO President Herbert Mabry applauded the court's decision, noting that the state federation frequently receives reports of similar "harassment of union members."

Paul Cappalear, Laborers' international representative for the area, observed that the decision shows that "even in a small Georgia town, people are not going to let a man be harassed for nothing." He said he hoped the decision "will stop or slow down" similar behavior by other employers.

Meanwhile, Local 246 and Georgia Kraft recently reached agreement on a new three-year contract, following expiration of the one that settled the 1979 strike.

Auto workers put Chrysler accord to vote

Detroit—Members of the Auto Workers employed by Chrysler Corp. in the United States were set to vote on a new contract giving them an immediate pay increase, plus a cost-of-living allowance.

An earlier agreement was rejected by the Chrysler workers in September because it tied pay increases to company profits, and did not include COL adjustments.

Some 43,000 UAW members in the United States are covered by the new agreement. The ratification vote was expected to be completed on Dec. 17.

Meanwhile, Chrysler workers in Canada overwhelmingly approved a separate agreement, 7,753 to 787, calling for an immediate raise of $1.15 an hour in Canadian money for some 9,600 workers. The Canadian workers will not receive company stock ownership plan negotiated earlier, however, whereas the plan will continue in the U.S. contract.

Strike settled

The Canadian settlement ended a 38-day strike against the auto maker. UAW members returned to their jobs Dec. 13, the day after the ratification vote.

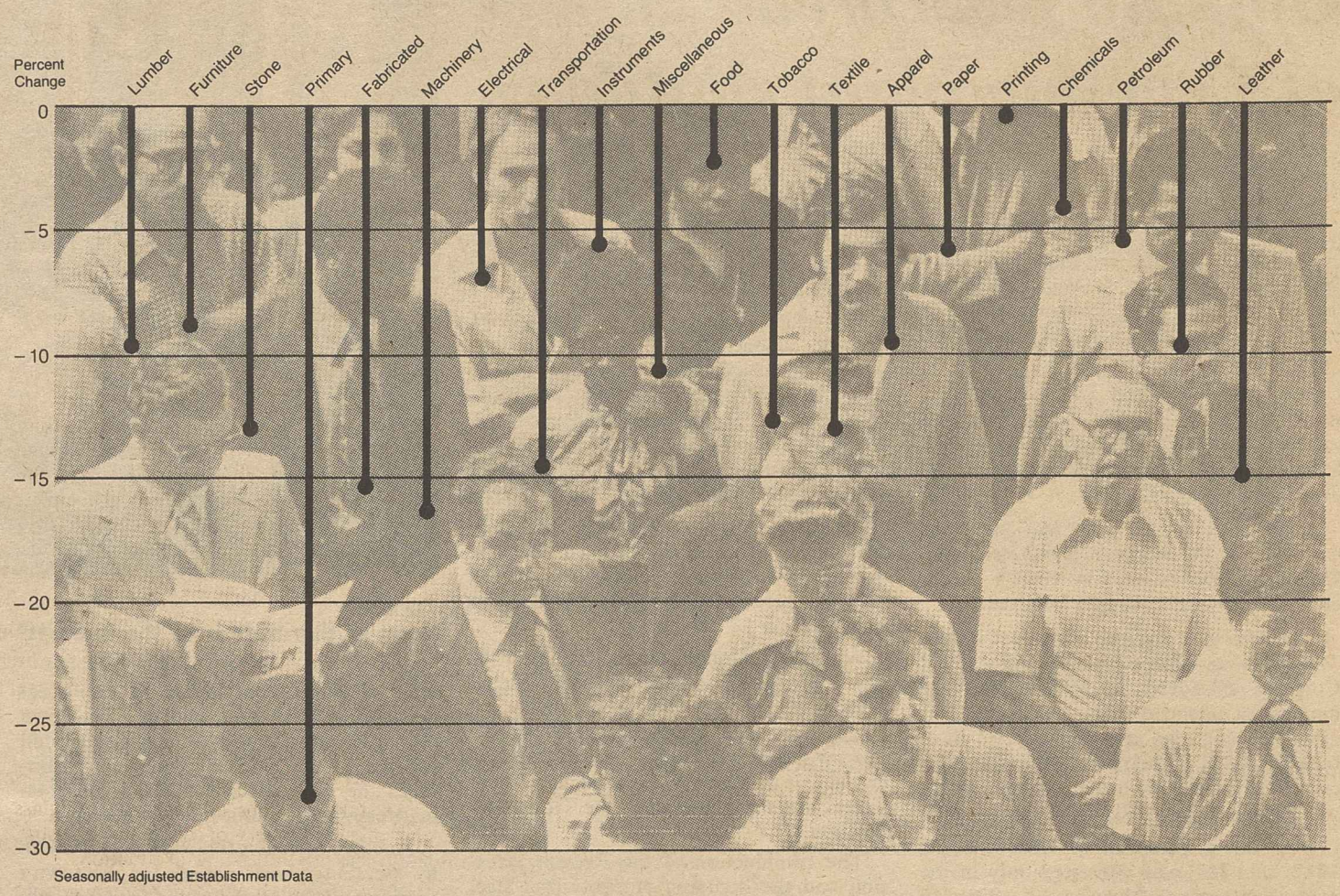
The 13-month agreements give Chrysler workers in the United States and Canada a basic 3-percent raise, plus an hourly cost-of-living adjustment of 47 cents for those in the United States and 87 cents in Canada.

Workers in the two countries had been making identical wages but were paid in different currencies. The Canadian dollar today is worth about 81 cents in the United States. Union and company officials said the new contracts recognize differences in currency valuation and inflation rates.

If they agree to the new pact, American workers will receive an average pay boost of 75 cents an hour immediately. Of that amount, 15 cents is a cost-of-living adjustment. The hourly pay of an assembly line worker would rise to $9.81. If there is a 6-percent inflation rate over the next year, the pay would go up to $10.45 an hour by Dec. 5, 1983.

Key elements of the U.S. and Canadian packages were negotiated by a union team headed by UAW President Douglas A. Fraser and Robert White, the union's Canadian director. Fraser said U.S. members of the UAW understood the need for a larger Canadian wage increase.

Manufacturing Employment Change, July 1981–November 1982



Seasonally adjusted Establishment Data

Kirkland reaffims support for stiff corruption penalties

AFL-CIO President Lane Kirkland reiterated the federation's support for a Senate-passed bill that would toughen penalties against corrupt union officials and urged House approval before Congress adjourns.

Kirkland's statement to the House Labor-Management subcommittee endorsed the legislation as advancing "both the public interest and the best interests of the trade union movement."

A union official who takes an employer payoff or pilfers from a pension fund or union treasury betrays the workers he represents and dishonors the labor movement, Kirkland said.

In a letter to Subcommittee Chairman Phillip Burton (D-Calif.), Kirkland noted that the action on the bill the Senate passed last summer, and its statement to the subcommittee "reconfirms" that support. He urged quick subcommittee and committee approval so that the measure could be brought to the House floor before adjournment.

The Senate bill would upgrade employer payoffs to a union representative from a misdemeanor to a felony on the part of both parties if the sum involved is $1,000 or more, and would enlarge the list of offenses that result in disqualification from union or benefit fund positions.

It would also make disqualification from office effective on conviction, rather than only after appeals have been denied. The period of disqualification would be lengthened from the present five years to at least five and up to 10 years.

Kirkland said the provision for removal from office before an appeal has been decided is cause for concern. "It is not a small matter for an individual who has over the years been a colleague in arms and who continues to maintain his innocence to be turned out of his position," Kirkland noted.

Yet the reality is that a court verdict after trial that the defendant is guilty of a crime involving a breach of trust "tilts the balance against the presumption of innocence."

The disqualification from office, Kirkland acknowledged, imposes heavier burdens on union officials than on offenders in other types of work.

The AFL-CIO does not object to that, Kirkland said. "Union office is a calling, not a business. The morals of the marketplace will not suffice," he stressed in his statement.

House approves $5.4 billion for emergency jobs

Continued from Page 1

cratic plan as the preferred way to fund needed jobs programs but said it would not oppose the higher gasoline tax because the employment need was so pressing.

The Democratic substitute had been endorsed at a party caucus, and there were few defections on the Senate vote.

Democrats Sam Nunn of Georgia and Harry Byrd of Virginia (who is listed as a Democrat although elected without party endorsement) voted against the substitute. Republican Bob Packwood of Oregon supported the Democratic motion.

Pay raises

Congressional salaries, currently $60,662 a year, are supposed to be $77,300 under an automatic formula tied to pay raises for other federal employees. But election-jittery House and Senate members have refused any substantial increase since 1977 and set the present cap on salaries in 1979.

One effect of the cap has been to compress higher-level civil service salary grades and deny any increase to top-paid executives.

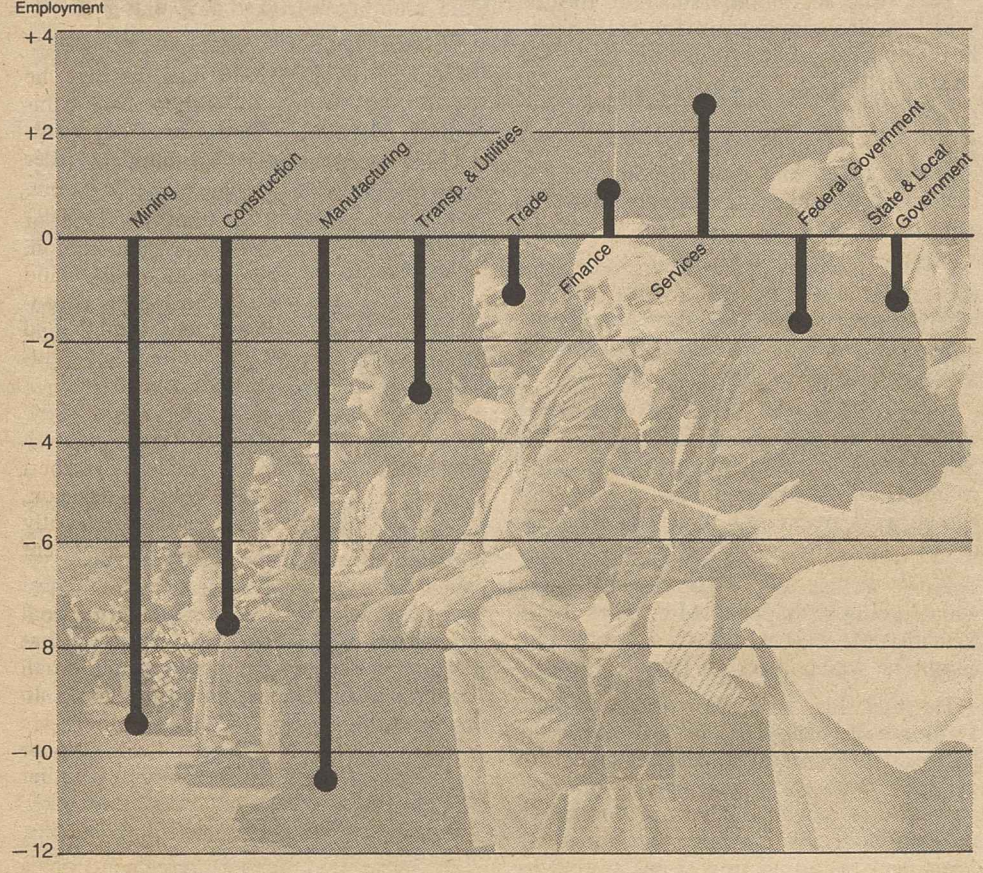
In a letter to House members, AFL-CIO Legislative Director Ray Denison said the salary freeze deters people who aren't wealthy from seeking office or filling top government jobs.

If the Senate does get to a vote on the highway and transit bill, a House-Senate agreement will be necessary to resolve differences. The House bill has a strong Buy American clause, requiring that virtually all highway construction materials be made in the United States. Sen. Howard M. Metzenbaum (D-Ohio) proposed a similar amendment, but it was tabled on a 51-47 vote.

The House beat back attacks on Davis-Bacon Act prevailing wage protections, but foes of the wage protection law were expected to renew their efforts in the Senate.

Senate Majority Leader Howard H. Baker, Jr. (Tenn.) kept the sessions going past midnight two days in a row in an effort to break the logjam. Congressional leaders earlier had set the target for adjournment of the 97th Congress as the close of business on Dec. 17.

Employment Change, July 1981–November 1982



Seasonally adjusted Establishment Data

Alaska AFL-CIO chief takes state labor post

Anchorage, Alaska.—Alaska State AFL-CIO President Jim Robison has been appointed state commissioner of labor by Governor-elect William Sheffield (D).

Robison, 52, has been president of the state federation since October 1981. He was formerly business manager for the 8,000-member Alaska District Council of Carpenters.

Mill closing shocks a steel community

Midland feels broad impact of Crucible plant shutdown

By David Parker
Communications Director
AFL-CIO Industrial Union Dept.

Midland, Pa.—The first thing you notice driving into this town in America's industrial heartland is the enormous Crucible Steel plant, sprawling for two miles along the Ohio river.

The next thing you notice is that no smoke is coming from the mill's enormous stacks. The 75-year-old mill, owned by Colt Industries of New York, was shut down Oct. 15, 1982.

At its peak several years ago, the plant employed 4,700 workers, members of the United Steelworkers. Now there's just a clean-up crew of a couple hundred.

Prospects are brighter now. Just before Thanksgiving, Jones & Laughlin Steel Corp., a subsidiary of LTV Corp., announced it intended to buy Crucible. But other deals for the sale of the plant have fallen through in the past six months. And even if J&L does buy it, initial employment will be only about 250, the company said.

Ron Friess, president of USWA Local 1212, said J&L was interested only in the melt shop because "they have facilities to do the other steelmaking processes in other places. Whether they've changed their minds and decided to start the whole thing is something I don't know. And that's why I'm not getting fired up about it yet. I've been down that road before."

The fate of the mill will have an impact far beyond Midland, because half the work force lives in Ohio, seven percent in West Virginia, and the rest in this town and other parts of Beaver County, Pa. The county's unemployment rate is a staggering 23.5 percent. About half the work force at J&L's Aliquippa works—not far from Midland—is laid off.

Shocking announcement

Colt Industries sent shock waves through the region when it announced last March that it would either sell or abandon the mill, which produces stainless steel sheet and plate and steel alloy bars.

The company said its decision to unload the plant was based on the continuing slack demand in the specialty steel market. The plant lost over $40 million last year on sales of about $500 million.

About the same time, National Steel Corp. stunned residents of nearby Weirton, W. Va., saying it no longer planned to invest in its huge mill there and wanted to sell it to its employees. Like Colt, National said it could get a better return on its assets elsewhere.

The Crucible workers and their families have been on an emotional roller coaster since Colt announced the plant would be sold or shut down. First it looked as if Cyclops Corp. would buy it. The USWA and Cyclops agreed in July on a new contract that would make operation of the plant viable. But the day after the agreement, Colt said in a terse announcement that the talks with Cyclops were terminated.

Subsidized imports

What has virtually destroyed Crucible and other specialty steel plants are illegal, subsidized steel imports dumped on the domestic market. Some foreign specialty steel products are selling at half the U.S. price. There's no way a U.S. plant like Crucible can compete with foreign competitors who play by a different set of rules.

Some U.S. steel plants have trouble competing because they haven't been modernized, but this isn't the case with Crucible. Over the past three years, Colt has spent $100 million modernizing the plant. For instance, two electric-arc furnaces were put into operation last year at a cost of $50 million. And the plant has a brand new $3.2 million heat-treating furnace (for strengthening alloy steels) that has never been in operation.

At least 50 percent of the 60,000 workers in the specialty steel industry now are unemployed. USWA President Lloyd McBride, along with industry leaders, repeatedly has called on the Administration to stop illegal imports.

The entire steel industry is in a perilous state of decline. Just 35 years ago, the United States produced over 56 percent of world steel production; now it's down to 15 percent. In the past seven years the Soviet Union surpassed the United States in steel production, with Japan moving into second place in 1980.

It's no coincidence that U.S. steel production has declined as imported steel has risen. In 1957, steel imports accounted for only 1.5 percent of the U.S. market; the level today is 27 percent.

While the United States continues to buy more and more steel from foreign producers, 165,000 U.S. steelworkers are unemployed and another 20,000 are on short workweeks, with the industry operating at 31 percent of its capacity. These figures are the worst since the Great Depression.

The combination of the Reagan recession and the dumping of subsidized steel by foreign countries has pushed many U.S. plants to the brink and closed others, devastating whole communities.

Impact on Midland

The shutdown at Crucible is a case in point. The hurt of it goes very deep into the lives of the Crucible workers and their families, along with the townspeople whose livelihoods depend on the income generated by the plant. The mill and Midland are as joined as Siamese twins. The death of one means death for the other.

The people of Midland are hoping for a miracle. They're hoping that the sale to J&L goes through, that eventually the whole mill will be back in operation. Meanwhile, they wait and they worry, wondering how long the money will hold out.

Local 1212's hall on Midland Ave., just a stone's throw from Crucible's main gate, is a hub of activity. Workers congregate outside and in, to share the misery and hear the latest news about the plant. They wait in line to sign up for unemployment and supplemental unemployment benefits.

Reminiscent of the 1930s, each Friday at the hall, the neediest members line up at the food bank organized by the union, where they are given staples.

Dick Fink, sub-director of USWA District 20, said he was concerned how families without the money to heat their houses were going to make it through the winter. The union's role had shifted to that of a social service agency, he said.

The union has joined with churches to coordinate clothing drives and with hospitals for stress counseling and free medical services.

The strip of businesses on Midland Ave. reflects the depressed economy of the community. All the stores and service establishments are feeling the pinch. Some have closed their doors for good.

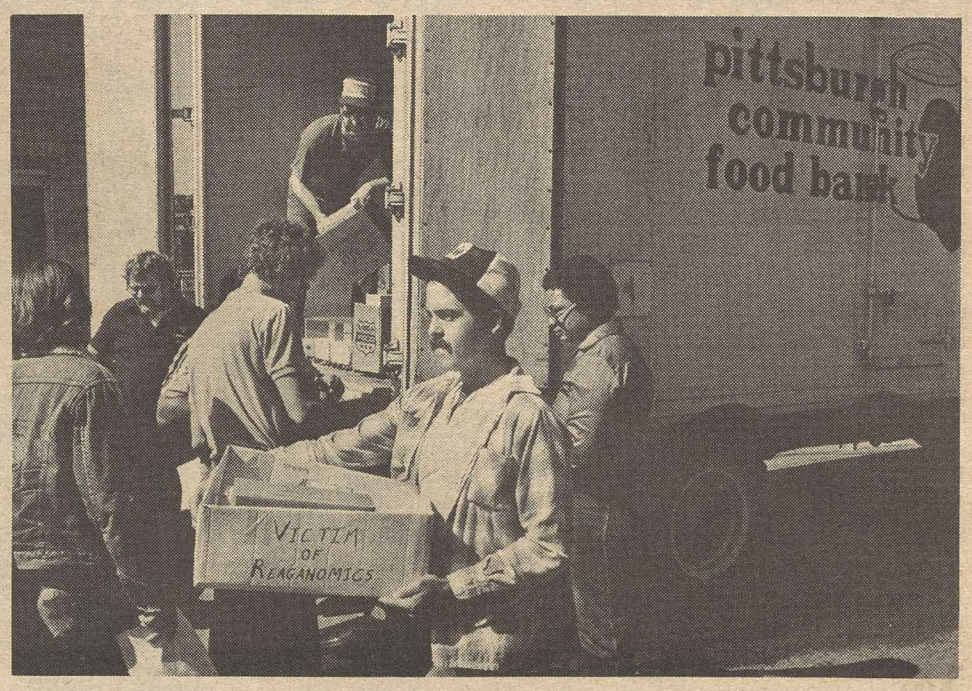
Reflecting on Midland's situation, Father Prodonovich of a Serbian church denomination, said:

"The whole town is dying. The people who invested money in that plant don't care three cents about us. There will be more divorce, more neglected children. Store after store is shutting down. Still, I always have hope."

Spinoff crises

Crucible's closing has created serious financial problems for the town's operations. Mayor Martin Schulte, who teaches social studies at Midland's high school, said about 80 percent of the borough's budget of $1,043,000 is dependent on wage taxes. As a result, the shutdown has crippled municipal services.

Residents now have to pay for trash pickup from a private contractor, because



Food is distributed for the neediest outside the union hall in Midland, Pa.

nine of the 13 employees in the street department have been laid off. The town once paid the $10,000 annual electric bill for the senior citizens center and subsidized the local Meals-on-Wheels program to bring food to shut-ins. No longer.

Another serious problem brought about by the shutdown is paying for the town's drinking water. All the water for Midland's $2.7 million water treatment plant is pumped from the mill under an agreement with the company.

Mayor Schulte and the seven-member city council have forfeited their salaries, in cost-cutting efforts.

The mayor is bitter: "There's a social responsibility at issue here. We have a community where people planned their lives, bought houses, raised families. This company shouldn't just walk out."

The school system lost $90,000 in wage taxes and another $250,000 in property taxes from its budget of $2 million, as a result of the shutdown. The cost per pupil will get even higher when more people move out of the area.

Midland's nine police officers have had to take pay cuts to avoid two layoffs. Police Chief James DiTullio is trying to sell a vintage submachine gun to raise money for his department.

Interviews with several families in the Midland area revealed the emotional toll and financial plight caused by the mill shutdown.

Third generation

Nick Vuckovich's family has been working in the mill for three generations. His father spent 44 years there. Two of his brothers and a nephew also worked there.

Nick was six months short of the 20 years' service requirement for SUB benefits when he was laid off on June 11, 1982.

As a city council member and with a salary of $480 a week, Nick has had a good life in Midland. Now he's supporting his wife, Janet, and three children on his savings and jobless benefits of $198 a week.

"What happens when the unemployment runs out?" he asks. "You tell me where I can apply for a job as a straightener. I've lived here all my life, but I'd go anywhere for a job."

Mike Smith was born and raised in Midland. He played quarterback on the Midland High School football team. Like so many other Midland kids, his destiny was to work in the mill and raise a family in his hometown.

Now, at age 28, Mike doesn't know what's going to happen. After working at Crucible for nine years as a continuous caster, he was laid off on Oct. 1, 1981.

He and his wife Barbara and their 16-month-old daughter, Erica, have been living off his weekly unemployment check of $180 plus what she makes working part-time as a waitress at the Wonderbar restaurant. They had to give up their apartment and move in with his mother in April. Barbara is expecting their second baby in February.

Roles have changed for Mike since the shutdown. "Now I'm the babysitter and I've turned into a heck of a cook. I run the sweeper, wash clothes. The baby helps me clean. Clean was one of Erica's first words. I don't know what I'd do if I didn't have the baby."

Mike expressed a thought shared by his fellow Crucible workers: "I still can't believe I don't have a job."

Albert Bragg's family hasn't been as fortunate. The pressure has gotten to him, so much so that he almost blew his brains out.

"I had a 30-30 and put it to my head. Pulled the trigger. The shot missed. Maybe I jerked my head out of the way. The bang scared the hell outa me—and knocked some sense into me."

Daughter's plea

Al has been unemployed since July 25, 1981. He was a saw operator at Crucible earning $10.80 an hour. He turned 33 on Oct. 2 with not much to celebrate. Tears came to his eyes as he recounted his nine-year-old daughter, Angel, telling him: "Daddy, you only live once and I want to live with you."

Al's only steady income after his $145 a week unemployment compensation ran out last October has been a monthly $58 disability check from the Veterans Administration. (He was shot in the chest during a tour in Vietnam.) He has earned extra money baling hay, cutting lawns, and doing other odd jobs.

The electric company shut off the electricity in his totally electric house on July 1, after getting behind $800 in payments. He then ran a cable to his mother's house next door. He's now far behind in making his $225 monthly mortgage payments.

"I sent them $15 last month because that's all I got," Al said.

White House brushoff

Local union officials appealed for help in a mailgram to President Reagan, but were given the brushoff. A Treasury Dept. official responded that Crucible and its workers were on their own:

"This issue is primarily one between Colt Industries and the employees and management of Crucible Steel. It is not one where the federal government has an overriding direct interest, and consequently is not one that calls for direct federal intervention."

In contrast to the Administration's hands-off attitude, the AFL-CIO and its affiliates, including the Steelworkers, have called for a national program to revitalize basic U.S. industries like steel. Organized labor has stressed that government and industry must accept their roles as full partners in assuring economic growth and full employment.

* * *

A sign adjacent to a football field in Midland must have a hollow ring to Nick Vuckovich, Mike Smith, Al Bragg and the other laid off Crucible workers: It reads:

"Colt Industries—A company that cares about the future of our young people."

EDITORIALS

A Steadfast Commitment

A YEAR AGO, General Jaruzelski declared a state of war against the Polish people.

The object of that war—abetted if not decreed by the Soviet Union—was to destroy the first free trade union movement ever to emerge in the communist world.

The Polish government believes it has succeeded in that task.

We of the American labor movement are no strangers to adversity and defeat. But we are sustained by the certain knowledge, born of experience, that the impulse of working people to create their own free institutions is universal and ultimately irresistible—and that the setbacks of today are but the prelude to victories tomorrow.

The workers of Poland—the people of Poland—want Solidarnosc restored. They want a free trade union movement. They want a voice in their own destiny.

Nothing the regime can do or say can erase that yearning. It is a specter that will haunt the Polish dictators—and their Moscow masters—long after they have passed into the history books in permanent disgrace.

WE HAVE come here today to pledge our continuing support of Solidarnosc. We shall not be satisfied with the lifting of martial law or the release of political prisoners.

We want Solidarnosc restored to the workers of Poland. Until that goal is met, we will oppose any relaxation of sanctions against Poland and the Soviet Union.

Poland was a police state before the imposition of martial law, and dissenters were thrown into prison before the imposition of martial law.

We are not satisfied to return to that state of affairs, as if Solidarnosc had never appeared.

Others may find in the events of this week elegant rationales for accommodation or retreat, or for turning their attention to other problems.

We, for our part, remain steadfast to our commitment to the workers of Poland—and to the glorious movement they created.

Solidarity lives. Solidarity forever.

—From AFL-CIO President Lane Kirkland's remarks at St. Matthew's Cathedral, Washington, D.C., Dec. 12, 1982.

A Matter of Style

LAST WEEK, the question was whether the wealthy individuals President Reagan appointed to a proposed Committee on the Arts & Humanities should be given $250,000 so they could take trips to Washington at taxpayers' expense.

This week the question is whether some more Reagan appointees to part-time jobs can collect $29 a hour for "consultations" and while drawing generous expense allowances.

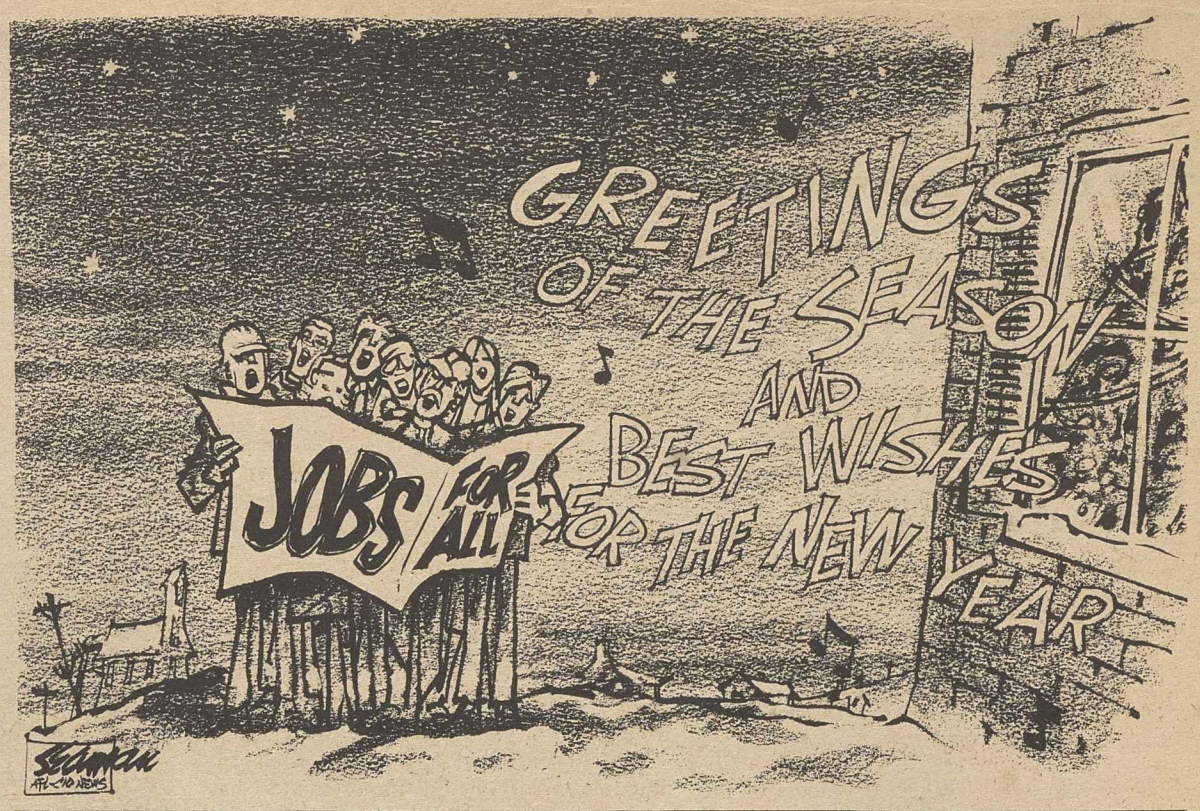
This group of worthies was named by the President to the board of directors of the Legal Services Corp., which is supposed to give free legal services to the poor. When he was unable to abolish the corporation, Reagan replaced the sitting board with 11 appointees of his own. These newcomers in a year managed to spend twice as much on themselves as their predecessors did.

THE NOMINEE for the full-time director's job, paying $57,700, was guaranteed that he could in addition join the "private club of his choice," and commute from Indianapolis for six months with the taxpayers paying the freight.

The argument is not over the amounts of dollars wasted by these dilettantes—the government spends more than that every few seconds. The argument is over the style and attitude assumed by Mr. Reagan's appointees.

While professing to cut spending, they are cutting spending only for others, mostly the poor, minorities and jobless individuals unable to defend themselves.

These Reaganites went to Washington promising to run it on a business-like basis. It would be better if they ran it like a government dedicated to serving all the people.



Washington Window

GOP sorely needs likes of Norris and LaGuardia

By Press Associates, Inc.

Two quarreling neighbors went into court in New York City and before they could say anything, the judge asked them, "Okay, ladies, what was it, the clothesline or the milk bottles?"

"It was the clothesline, your honor," one replied.

Judge Fiorello H. LaGuardia knew his people and their problems, their dreams and their struggles. He loved the common people and fought their fight as a progressive political leader in Congress and as a three-term mayor in 1933-45.

The clothesline anecdote came up while New Deal veterans were reminiscing in Washington, D.C., during the December centennial of LaGuardia's birth.

The occasion also paid tribute to the landmark Norris-LaGuardia Act of 1932, a law which put an end to a decade of employer onslaught against unions, aided by judge-made law.

The tone of the 1920s was reflected in a remark by Chief Justice William Howard Taft in 1921. Speaking of unions, Taft remarked, "That faction we have to hit every little while." It was Taft who as a lower court judge decades earlier handed down one of the first injunctions to break a Locomotive Engineers strike.

Alarming decisions

While employer groups adopted the so-called American Plan to spread the open shop, the wholesale use of injunctions to break strikes and destroy unions alarmed fair-minded people.

Sen. George Norris of Nebraska, a progressive Republican campaigning for a Democrat in Pennsylvania, was shocked to see the conditions under which coal miners worked and lived. He learned of yellow-dog contracts which bound miners in servitude to the operators and of injunctions which broke strikes.

"I was shocked profoundly" that such conditions existed in a free country. After several years of effort, Norris won Senate passage of his bill to outlaw the yellow dog and restrict injunctions in labor disputes. LaGuardia sponsored the bill in the House and it became law in 1932.

LaGuardia also gave business fits when he was in Congress. When the business lobby tried to ram through a national sales tax in 1932, calling it a "manufacturers sales tax," LaGuardia countered with a "nuisance tax" on all kinds of wealth, plus a heavy surtax on millionaires. LaGuardia rounded up the votes and beat the sales tax.

Mayor of New York

When LaGuardia lost in the FDR landslide, he returned to New York, ran for mayor and won.

He took over a city with overwhelming problems of corruption, racketeering, unemployment and slums and offered a vision. He promised to make government a friend rather than an enemy of the people.

Aligning himself with the New Deal, he promised to create jobs, tear down slums, clean up the streets, build housing, foster music and art, create beer gardens and make New York "a great, living, thrilling adventure."

The irrepressible mayor was everywhere. He rode firetrucks, danced at weddings and cried at funerals. He cheered at baseball games and visited schools. He went on radio to read the funnies during a newspaper strike.

LaGuardia and Norris were both progressive Republicans and their kind is sorely needed today. The irony of politics is that a Republican sits in the White House today and looks back on the 1920s as some "Golden Age." It was, indeed, the era of Babe Ruth, Dempsey and Tunney, Knute Rockne and the Gipper.

But President Reagan also believes Calvin Coolidge was a great one. Coolidge chose not to run again in 1928, and he may have sensed something. Mrs. Coolidge called him Poppa and in early 1929, she remarked, "Poppa says there's a depression coming."

AFL-CIO news

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LEGISLATIVE ALERT!

Here's a Wrap-Up of the Major Issues We Lobbied on During the 97th Congress

Labor Laws Successfully Defended

▶DAVIS-BACON PREVAILING WAGE PROTECTIONS SAVED

The Davis-Bacon Act requires that workers on federally funded construction projects be paid at the wage scales prevailing in their locality. In November 1981 the Senate voted down an amendment to remove D-B from military construction; in August 1982 the House killed a similar amendment on local development grants. The Reagan Dept. of Labor in May 1982 proposed new rules to gut enforcement of the Act; a federal judge criticized the DOL and temporarily halted action pending a final court decision. **Continued attacks likely in 1983.**

▶RIGHT TO STRIKE: HOBBS AMENDMENTS STOPPED

Congress rejected efforts to single out union members for federal prosecution in picket-line disputes, while leaving management agents subject only to current state and local laws.

▶NLRB: VAN DE WATER NOMINATION REJECTED

President Reagan's nomination of **John Van de Water** for chairman of the National Labor Relations Board was rejected by the Senate Labor Committee after the AFL-CIO presented evidence showing him to have an anti-union bias. GOP attempts to bypass the committee and go to the Senate floor failed. Van de Water was forced to resign.

▶LABOR STANDARDS

America's oldest labor standard, the eight-hour day, came under attack as conservatives tried to allow **ten-hour days** on federally contracted work without overtime pay. In June 1982 the Senate wisely chose not to use federal dollars to gouge wages.

When the Reagan Administration tried to relax **child labor regulations** to expand the hours 14- and 15-year-olds are allowed to work, it ran into opposition from the AFL-CIO and was forced to retreat.

▶LONGSHORE WORKERS' COMPENSATION SAVED

The 1972 Longshoremen's and Harbor Workers' Compensation Act is the best **workers' compensation** law in the nation. Sen. Don Nickles (R-OK), introduced a bill to take away this protection for thousands of workers in shipyards, warehouses and related areas. A revised--and labor-supported--bill passed the Senate, but as the 97th Congress neared adjournment House action seemed unlikely.

▶REPEATED ATTACKS ON MINIMUM WAGE PROVE FRUITLESS

Early in 1981, corporations which employ large numbers of teenagers urged Congress to undermine the minimum wage law by creating a **"subminimum" wage** for youths. But they only drew attention to the fact that the regular minimum wage, adjusted for inflation, has declined since 1967. The Reagan Administration tried to revive the subminimum proposal, but Congress took no action. **Reagan likely to push subminimum in 1983.**

▶OSHA LAW IS INTACT, BUT REAGAN ENFORCEMENT POOR

The Reagan Dept. of Labor is in effect dismantling the Occupational Safety and Health Administration, cutting back on inspections and weakening or removing **health and safety rules** for the workplace. But Congress has not weakened the OSHA Act, and a pro-worker Administration presumably will be able to pick up the pieces of OSHA left by Reagan.

In 1981 Congress took away Mine Safety and Health Act protections from sand, stone and gravel surface miners, only to reverse itself and restore the protections in 1982.

Congress Rubber-Stamps Reaganomics in 1981, Has Second Thoughts in 1982

▶FEDERAL BUDGET/WORKER PROGRAMS

1981: Congress approved the Reagan/Stockman budget, ignoring the AFL-CIO's warnings that the budget slashes would destroy more than 1 million jobs.

1982: By now Reaganomics had produced recession; Congress was more wary and rejected out of hand the new Reagan budget for FY 1983. The President was able to push a budget through only after extended negotiation. In September the House and Senate overrode Reagan's veto of a supplemental budget bill.

▶BALANCED BUDGET AMENDMENT DEFEATED

In October the House, refusing to enshrine Reaganomics in the U.S. Constitution, defeated the balanced budget Constitutional amendment. The AFL-CIO led the opposition to this measure.

▶TAXES

1981: Congress approved the Reagan tax cut, the biggest windfalls for wealthy individuals and profitable corporations ever enacted.

1982: Faced with oceans of red ink caused by the Reagan tax cut, Congress reversed gears and passed a tax increase that modified some of the worst excesses of the 1981 tax cut. The Reagan-backed **tuition tax credit** proposal, which would subsidize private education, went nowhere in the 97th Congress.

▶SOCIAL SECURITY

Congress approved several Reagan cuts in Social Security, including elimination of the $122-per-month minimum benefit for most future retirees. But other Reagan proposals, such as raising the retirement age to 68, were rejected. **A major issue for 1983.**

▶TRADE POLICY

In the closing days of the 97th Congress, as the unemployment rate neared 11 percent, Congress began to show interest in the AFL-CIO-backed "fair trade" policy. The House passed the **domestic content** bill for the auto industry. But the AFL-CIO worked to stop the Reagan **"Caribbean Basin"** package of trade privileges for products funneled through that region. **Trade issues will be high on the agenda of the 98th Congress.**

▶CONSUMER RIGHTS

Energy Prices: When the Reagan Administration pushed for faster decontrol of natural gas--meaning higher profits for the major oil companies and higher prices for consumers--the AFL-CIO rallied opposition and Congress refused to approve the plan. In March 1982 the government agency that enforces price controls tried to speed decontrol without Congressional approval. Once again, AFL-CIO opposition helped force the agency to back down.

Bankruptcy restrictions: As the 97th Congress neared adjournment, legislation to deny hard-pressed Americans the last-ditch option of bankruptcy seemed dead.

▶CONSTITUTIONAL AND CIVIL RIGHTS

Voting Rights Act: Tough battle, total victory. The most successful civil rights act was extended with key enforcement provisions intact or strengthened.

Integrity of the Constitution: Right-wing attempts to tamper with the nation's most sacred document were turned back. Congress refused to strip the courts of their Constitutional obligation to rule on certain social issues.

A Busy Year for AFL-CIO Lobbyists on Capitol Hill

The presence of the AFL-CIO on Capitol Hill was broad and deep in 1982, as Federation lobbyists worked on many issues of concern to working people during the 97th Congress.

Following is a partial listing of the testimony given by the Federation before various Congressional committees and subcommittees. Single copies of testimony are available from the AFL-CIO Legislative Dept.; specify subject and date of statement requested.

Date	Subject
1/12	Federal budget
3/1	Extending the Voting Rights Act
3/11	The fiscal 1983 budget
3/17	Employment and training issues
4/20	Immigration reform legislation
4/21	The Reagan enterprise zone proposals
4/22	OSHA and occupational disease
5/7	Tax treatment of interest and dividend income
5/12	Penalties for violations of the minimum wage law
5/27	Copyright manufacturing clause and saving publishing industry jobs
6/10	Oversight hearing on the Federation Election Campaign Act
6/11	Independent contractor tax proposals
6/15	Health costs
7/14	Bill to extend the Credit Control Act and bring down interest rates
7/20	The Reagan recession and the economic policies of the Reagan Administration
7/21	Calling in the Polish Debt and other sactions against suppression of Solidarnosc
7/26	Trade "reciprocity" bills
8/2	AFL-CIO-opposed Caribbean Basin trade privileges
8/4	Balanced-budget Constitutional Amendment
8/17	Longshoremen's and harbor workers' compensation
9/15	Reindustrialization of America
9/22	Auto content bill
12/8	Urgent need for additional weeks of supplemental unemployment benefits
12/12	AFL-CIO-backed labor/management anti-corruption bill

AFL-CIO news

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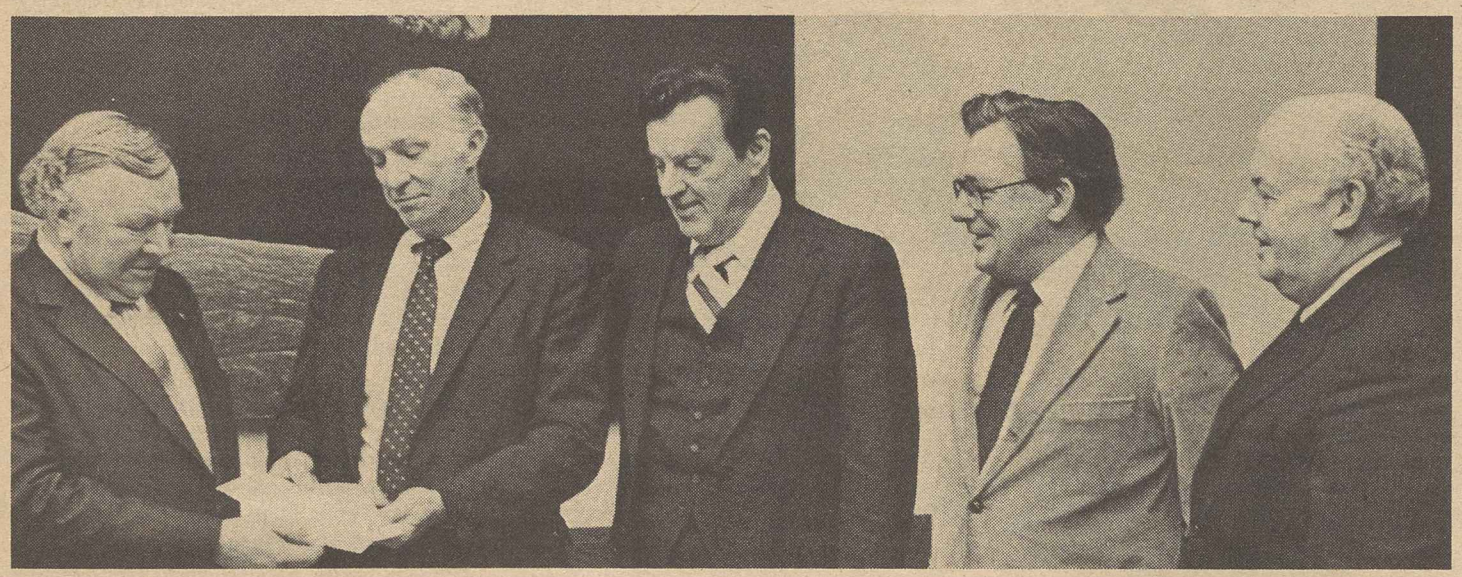
HOLIDAY GREETINGS

Veto threat sinks jobs program



Welcome aboard

Merger of the National Association of Government Employees with the Service Employees is marked with the presentation of a per capita payment covering the 80,000 new AFL-CIO members. From left are SEIU Sec.-Treas. Richard W. Cordtz, AFL-CIO Sec.-Treas. Thomas R. Donahue, NAGE President Kenneth T. Lyons, Federation President Lane Kirkland and SEIU President John J. Sweeney. NAGE merged with SEIU Dec. 1.

Lame-duck Congress disappoints

By David L. Perlman

The lame-duck Congress abandoned emergency jobs legislation under the threat of a presidential veto and left the shaping of an economic recovery program to the new 98th Congress that will take office in January.

Its failure to deal with the nation's unemployment crisis was "a severe disappointment to American workers," AFL-CIO President Lane Kirkland said.

A House vote for domestic content requirements for automobiles and the anticipated final passage of the highway bill with its additional jobless benefis were the bright spots in an otherwise dismal post-election session.

With job funds deleted, President Reagan signed a catch-all appropriations resolution to keep the government functioning for the nine months remaining in the fiscal year.

Reagan had warned that he would veto the appropriations resolution if it included any funds for a jobs program, even if it meant shutting down the government. The threat was sufficient for a House-Senate conference committee.

The conferees dropped from the funding measure both the $5.4-billion Democratic jobs package adopted by the House and the scaled down $1.2-billion measure passed by the Republican-controlled Senate.

Request to Reagan

Instead of money to hire the unemployed for public sector projects that need doing, the House-Senate conferees adopted a statement urging the President to include a comprehensive jobs program in the budget for fiscal year 1984 which will be submitted at the end of January.

While the jockeying over MX missile funding made the daily headlines, the final days of the 97th Congress were dominated by the behind-the-scenes maneuvering to get favored bills over the legislative hurdles—and to stop measures perceived as harmful from becoming law.

The Administration failed to get included in the continuing appropriations resolution language that would have reduced the number of state occupational health and safety inspectors by curtailing federal funding. Such a restriction had been in an earlier appropriations measure,

Continued on Page 8

Drop in real pay dampens Yule shopping scene

By James M. Shevis

American workers did their Christmas shopping this year with less buying power than they had a year ago as the government reported "real" average earnings down 1.5 percent.

Gross earnings of production or nonsupervisory workers in the nonfarm sector averaged $269.19 a week in November, the Bureau of Labor Statistics reported. This was virtually unchanged from the $269.27 figure of the previous month. Real earnings, or pay expressed in constant 1977 dollars, averaged $166.27 a week compared to $166.32 in October.

Over the year, however, the $166.27 real earnings figure represented a decrease of $2.55. BLS said the 1.5-percent decline resulted from a sharp drop of 1.4 percent in the average number of hours worked per week, a direct product of the recession, plus a 4.6-percent rise in consumer prices.

A steep decline in housing costs and moderation in other key components held the November advance in the government's consumer price index to just one-tenth of 1 percent, adjusted for seasonal fluctuations in prices. The 4.6-percent over-the-year CPI increase compared with an 8.9-percent rise for all of 1981.

In an earlier report, BLS said whole-

Continued on Page 8

Highway measure adds jobless benefit extension

Additional weeks of federal supplemental unemployment benefits were included by a House-Senate conference committee in the final version of the highway and mass transit bill.

The House adjourned immediately after adopting the conference report, but a filibuster waged by a handful of right-wing Republicans delayed final Senate action past the AFL-CIO News press time.

The highway bill, funded by a five-cents-a-gallon rise in the federal gasoline tax, is expected to generate more than 300,000 jobs as money spent on wages, materials and equipment ripples through the economy.

Because it was the last major bill to be acted on, the Senate used it as a vehicle for pushing through another temporary extension of unemployment compensation for the long-term jobless. The amendment was adopted by the Senate on a 93-4 vote and accepted intact by House conferees.

It adds from two to six weeks of entitlement to the supplemental unemployment compensation program that began last September and is scheduled to end on Mar. 31, 1983.

New entitlements

Under that program, workers in 36 states with the highest insured unemployment rates have been entitled to 10 weeks of federal payments after other benefits have run out. Workers in states with lower rates have been entitled either to eight weeks or six weeks.

The new legislation uses a different formula in allocating additional weeks of benefits. The Labor Dept. estimates that 27 states will qualify for six additional weeks of entitlement, 12 states for an extra four weeks, and 11 states for two added weeks.

With President Reagan's veto threat having killed direct job-creating legislation, the Administration-supported highway bill was the only measure of the lame-duck session that had the potential to spur economic recovery.

For that reason, the AFL-CIO endorsed it and did not oppose the increased gasoline tax despite labor's preference for other means to finance it.

The bill's troubles came from the President's party—a filibuster led by three right-wing Republicans, Senators Gordon J. Humphrey (N.H.), Don Nickles (Okla.) and Jesse Helms (N.C.). Their argument was that the higher taxes would retard recovery. It required a series of cloture votes, a session that ran 37 hours, and both Saturday and Sunday meetings of the Senate to get the bill to a vote. The necessity for a House-Senate conference agreement and final action by both bodies added to the frustrations of a Congress that had repeatedly postponed adjournment deadlines.

When Helms took the floor to renew his filibuster after the House had approved the conference report and adjourned, he was tongue-lashed by a member of his own party. "Seldom have I seen a more obdurate, more obnoxious performance," Sen. Alan K. Simpson (R-Wyo.) said to the obvious approval of his colleagues.

The estimated $5.5 billion to be raised by the bill will be allocated to states for road, bridge and transit projects.

A byproduct of the legislation is the strengthening of the Davis-Bacon Act's prevailing wage protections against an effort to narrow the law's coverage.

The 1956 law that launched a major program of federal highway funding ap-

Continued on Page 4

Recession worsens

A substantial drop in economic growth was forecast by the government's own economists as the Reagan Recession showed no signs of abating.

Preliminary indications show economic activity declining at an annual rate of 2.2 percent in the final quarter of 1982, Commerce Dept. economists said in what they call a "flash" report on the gross national product.

The projection is used for internal government budget estimates and is disclosed as the department issues its final revision of the previous quarter's economic performance. The final revision for the July-through-September period showed a growth rate of seven-tenths of 1 percent, up from the zero rate reported last month.

Real GNP, or the value of the nation's total output of goods and services, went up at a 2.1-percent annual rate in the second quarter after dropping sharply in the first quarter at a 5.1-percent rate.

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12/25/82

Management consultants

How union-busters beat labor laws

Laws, it's said, are made to be broken.

When it comes to the labor laws, management consultants find it's often sufficient to bend them out of shape—just enough to permit them to ply their trade of union-busting.

Skirting the law is the lifeblood of the management consultant business.

They teach employers how to combat unions by stretching the rules of the National Labor Relations Act, even to leading them into violations because the penalties for doing so are an insufficient deterrent.

In the case of the Landrum-Griffin Act, management consultants take advantage of the ambiguities to avoid the law's requirement that they report their "persuader" activities. That way they can continue to operate in the shadows.

Fourth in a Series

The House Subcommittee on Labor-Management Relations exposed these tactics in its investigation of management consultants several years ago.

The penalties under NLRA are designed more to reimburse the victim for wrongdoing than penalize the violator, the subcommittee noted.

"This has led some employers to conclude that it often makes economic sense to violate the law, since the monetary cost of any possible legal liability is less than it might be if they had to deal with an organized workforce."

It found "evidence that some consultants help lead employers to think in these terms."

Violations surge

The evidence is in the records of the National Labor Relations Board which show unfair labor practice charges filed against employers have increased ninefold since 1957.

The most common tactic is firing union supporters. For each representation election in 1980, the NLRB reinstated 1.3 employees who were discriminatorily discharged. In 1957, one worker in every six elections was reinstated after being illegally fired.

Violations by employers are soaring, for the most part undeterred by penalties. Management consultants are telling them what to do and escaping the consequences altogether.

Modern Management (2M) is the biggest and among the most notorious management consultant firms. Its clients are diverse—in manufacturing, banking, insurance and the universities. But the bulk of its union-busting campaigns are in hospitals.

Modern Management ran one of its standard campaigns for St. Francis Hospital in Milwaukee. In mid-1979, the hospital hired 2M to combat an attempt by registered nurses to be represented by the St. Francis Federation of Nurses, an affiliate of the American Federation of Teachers.

2M performed its typical services, with typical results. Early in 1982, an NLRB administrative law judge found the hospital had committed such flagrant violations against the employees that it was ordered to bargain with the union after the union lost the election.

But there was an extra ingredient to the case. The NLRB general counsel charged Modern Management with being equally responsible with St. Francis for the unfair labor practices committed in the campaign. The counsel said 2M was at least a "co-principal and/or co-manager" of the campaign.

The tactics employed by St. Francis supervisors ran the gamut of illegal activities. The ALJ found the hospital engaged in "numerous unfair labor practices, including promising and granting benefits for the purpose of discouraging union activities; threatening reprisals and denial of certain benefits; extensive interrogations; and maintaining illegal no solicitation rules. . . .

"The conclusion is inescapable," the ALJ declared, "that this extensive campaign of egregious unfair labor practices has had the tendency to undermine the union's strength and impede the election process."

As is standard operating procedure for management consultants, 2M agents at St. Francis worked through supervisors, meeting with them in frequent strategy sessions at the start and finally every day as the campaign drew to a close. The supervisors were 2M's antennae at the hospital.

The ALJ found "it is undisputed that they were given instructions by respondent 2M personnel on how to approach employees, what to say, and how to respond to questions. They, for the most part, followed the advice and carried out those instructions.

Consultant control

"It appears that . . . St. Francis gave respondent 2M representatives practically full control of the anti-union campaign," the ALJ determined.

Despite the clear evidence of 2M control of the union-busting effort, the ALJ declined to sustain the general counsel's charge against 2M. While Modern Management agents told the supervisors what to do, there was no evidence, the ALJ said, that 2M "unlawfully threatened, interrogated or promised benefits to employees. . . ."

The role of the management consultant firm was "that of a labor relations adviser to the hospital." Without evidence of direct contact between 2M and the employees, the firm could not be held responsible, the ALJ held, and the full board sustained that view.

As is the case with other management consultant campaigns, 2M avoided the responsibilities for its actions. Once again they could circumvent the intent of the law to "encourage" the collective bargaining relationship.

Instead, the effect was just the opposite. When the consultant leaves the scene, the House subcommittee pointed out, "management and workers are left to deal with the aftermath of what probably has been one of the most traumatic periods that either employer or employee has endured at the workplace."

Hit-and-run operation

The management consultant is seldom seen in an anti-union campaign. For workers and unions, it is difficult to counter such an elusive hit-and-run operation. Even when the presence of consultants is revealed in unfair labor practice cases before the board, they are almost always unnamed employer agents.

Management consultants extend their covertness to the Landrum-Griffin Act, refusing to fulfill the law's requirement to file reports on their activities. They have escaped exposure of their practices in the way the Labor Dept. interprets the law.

Under Section 203, employers and consultants must report any "agreement," "arrangement" or "payment" for "persuader" activity. However, the section also says a consultant is exempt from reporting "by reason of his giving or agreeing to give advice to an employer."

The Labor Dept. interprets "advice" to cover all behind-the-scenes contact between consultant and employer. They are only required to file where they make direct contact with employees.

Allowing management consultants to hide behind this questionable distinction, the subcommittee pointed out, renders the law "ineffective." It advised the Labor Dept. to adopt "a more reasonable interpretation so the act can reach consultants who set and control the strategy for employer anti-union efforts but who do not themselves communicate directly with employees."

As the subcommittee pointed out, "virtually every union is required to and does report its activities under the provisions of the act. It is inequitable that the department does not require consultants, even in instances where they are clearly running management's anti-union campaign, to disclose their involvement."

Failure to report

The extent of their failure to report was revealed in two surveys made public at the subcommittee hearings:

- A 1978 survey of labor attorneys by the University of California Law School at Davis disclosed that 64.6 percent of the respondents had performed reportable activities "under present interpretations during the previous five years," but only 1.8 percent had filed with the Labor Dept.
- A Northwestern University Law Review report, in a survey of 164 attorneys in the field, found that only three respondents had filed reports out of 106 who conceded their activities were reportable.

A majority of attorneys in the Northwestern survey claimed they were ignorant of the reporting requirements. The Labor Dept. under the Reagan Administration would keep them that way.

Instead of moving to require compliance of the law, the Labor-Management Services Administration, which administers the law, is drastically cutting back on its enforcement.

LMSA under the direction of Assistant Labor Sec. Donald L. Dotson has cut back field investigations of complaints against non-filing consultants from 10 percent of the agency's time to 5 percent. At the same time Dotson, who is the President's nominee for chairman of the NLRB, has increased the time alloted for investigations of unions to a minimum 50 percent.

The Reagan Administration has made clear its priorities. Management consultants can go about their union-busting business undeterred as long as this Administration has its way.

labor studies

The George Meany Center for Labor Studies will offer six institutes during January, three at the Silver Spring, Md., campus. Three unions will use the center's facilities for their own leadership training, as will the American Institute for Free Labor Development.

The semi-annual week-in-residence opens Jan. 30 for union representatives working for bachelor of arts degrees in labor studies. The January schedule:

Education Techniques, Jan. 9-14—An institute demonstrating adult education techniques: discussion, role-playing, films, teaching outlines, conference planning.

Psychology for Union Leaders, Jan. 16-21—A session to help union leaders understand what motivates a union member, how to deal with stresses, leadership styles, group dynamics and systems analysis.

Fact Finding & Interest Arbitration, Jan. 16-21—A session to examine union experiences with interest arbitration, the use of fact finding to settle public employee impasses and effective strategies with interest arbitration.

Off campus sessions during January are: **Secretary-Treasurers Seminar** Jan. 16-19 at Williamsburg, Va.; **Arbitration: Preparation & Presentation** Jan. 16-21 at the University of Oregon, Eugene; and **Pension Bargaining Institute** Jan. 23-27 at the University of California, Berkeley.

Unions using the campus for their own staff training programs are: Teachers, Jan. 3-7; Communications Workers, Jan. 3-21 and Jan. 16-19, and State, County & Municipal Employees, Jan. 9-14.

Forty Spanish-speaking union leaders from Latin America will arrive Jan. 17. They'll be guests of AIFLD until Feb. 18 studying social security and job protection, and labor relations in the public sector.

Enrollment is open for five February institutes: Introduction to Computers, Feb. 6-11; Negotiating Techniques: State & Local Agencies, Feb. 6-11; Organizing Techniques I, Feb. 13-18; Arbitration: Preparation & Presentation, Feb. 27-Mar. 4; Newswriting & Editing for Union Publications, Feb. 27-Mar. 4.

More information on these and other labor studies program is available from Fred K. Hoehler, Jr., executive director, George Meany Center, 10000 New Hampshire Ave., Silver Spring, Md. 20903. Telephone: 301/431-6400.

New law explored

HRDI parley focuses on union training role

By Susan Dunlop

Organized labor's role in the new job training act was the focus of a Washington conference sponsored by the AFL-CIO Human Resources Development Institute on efforts to combat mounting unemployment.

Although labor views the act as inadequate to meet the need for jobs, HRDI President Alan Kistler told the more than 100 union representatives, it is essential that labor move quickly to participate.

Kistler, who also is the federation's director of organizing and field services, pointed out that the new Job Training Partnership Act (JTPA) was passed by Congress in October to replace the Comprehensive Employment & Training Act (CETA). A key new feature of the measure is a program to aid "dislocated" workers, he noted.

JTPA emphasizes the use of block grants that will enable states to design their own training programs, he observed. Noting that the programs will be run by the private sector, Kistler urged conference participants to let their governors know immediately that organized labor is actively interested in helping to plan and manage these projects.

Limited impact

Labor is concerned, he said, that the new law, which does offer some hope of job training for unemployed, disadvantaged and displaced workers, will fall short of the need created by the nation's high jobless rate.

But organized labor has "traditionally taken a strong role in this nation's employment and training efforts," Kistler stressed. He said labor's participation can help assure that JTPA money "is directed into programs that will provide the most positive benefits."

Kistler emphasized the need for union participation to assure that labor standards and the terms of collective bargaining agreements are maintained. Unions, he said, must also play one of the key roles in retraining their members under the dislocated worker provisions of the new legislation.

HRDI Executive Director Michael Arnold said the institute has made it a "top priority" to help national and local unions familiarize themselves with the new law and to participate in the new program from the earliest stages, including the Private Industry Councils (PICs) that will run the programs.

Kenneth Young, executive assistant to AFL-CIO President Lane Kirkland, said that while the JTPA unfortunately "does not address the immediate, overriding need to create jobs," it is a step in the right direction.

Young told the conference that the law provides for the first time retraining for workers "whose skills have become obsolete or redundant because of technological change and market dislocations."

Cooperation stressed

And it acknowledges that the federal government has a "fundamental responsibility" to help industry find good workers and "develop their occupational and human potential." The new law also recognizes that the federal government can't do that job alone but needs the cooperation of unions, employers and state and local governments to design programs that will benefit the greatest number of people, Young noted.

Organized labor, he urged, should monitor the development of JTPA projects to see that states properly use their block grants and that their programs meet high, uniform national standards. Labor can also help assure that the long-range training and job goals of workers are not "sacrificed to the short-term advantage of employers who want cheap labor."

Arnold stressed that JTPA will differ markedly from CETA, which it will replace by the end of fiscal year 1983. Under JTPA, funds for training programs will go directly to state governors who will have a major role in planning and overseeing them. JTPA, unlike CETA, has no funding for public service jobs.

Two-year projects

Governors will designate the localities in their states where programs are most needed, called "service delivery areas." Private industry councils will be formed in these areas to work with a local elected official to jointly develop two-year training programs.

Arnold explained that the local government officials will appoint the private industry councils. Under the law these will have a business majority, but will include members from organized labor and community, education and public service agencies.

Arnold said HRDI has begun a program of services to labor organizations to help them participate in the establishment of JTPA programs.

Quick action is necessary, he stressed, because the law calls for only a one-year transition from CETA to JTPA, and governors must be aware of labor's interest in the programs early.

HRDI President Alan Kistler, luncheon speaker Kenneth Young and HRDI Executive Director Michael Arnold at conference on new job training law.

Top award winners named in labor press competition

The message that 1981 was a year of challenge for the labor movement "comes through loud and clear" in labor publications, judges of the International Labor Press Association journalistic awards contest observed.

Entries in the contest, judged in 1982 for publications issued the year before, demonstrated the "essential requirements of any labor journal worth its name" including hard-hitting advocacy journalism and information union members can get nowhere else, the judges said.

The panel selected 113 winners from 1,034 entries in the competition.

In addition, 28 awards were given in a new ILPA contest for journalistic achievement in labor history.

Steinbock award

Jan Stankus was named winner of the Max Steinbock Award, named for the late president of ILPA to recognize "the best journalistic effort which exemplifies a humanistic spirit." Stankus won the award for a news story describing efforts by union employees at a nursing home in Somerville, Mass., to expose sexual abuse of patients by the home's owner and then to resist reprisals and firings by the infuriated boss. The article appeared in the September 1981 issue of the Service Employee, published by the SEIU.

Judges of this year's journalism competition were Dale McFeatters, reporter for the Scripps-Howard Newspapers; Marjorie Rachlin, senior staff associate at the George Meany Center for Labor Studies; Peggy Simpson, reporter for the Hearst Newspapers, and Lee White, former editor of the CWA News.

The labor history contest was judged by Herbert H. Gutman, professor at the City University of New York; Albert K. Herling, former editor of the Bakery, Confectionery & Tobacco Workers News and past president of ILPA, and Leon Stein, member of the Council for the Humanities, a former editor of the Ladies' Garment Workers publication, Justice, and also a past ILPA president.

Top winners in the overall general excellence categories in the journalism competition were:

International and national union publications—newspapers of 100,000 or more circulation, The Machinist; magazines of 100,000 or more circulation, American Educator, American Federation of Teachers, and Solidarity, Auto Workers. Newspapers under 100,000 circulation, the Seafarers Log; magazines under 100,000 circulation, Viewpoint, AFL-CIO Industrial Union Dept.; newsletters, Leadership News Update, SEIU.

State and local central body publications—at least 45 issues a year, Kenosha (Wis.) Labor; at least 22 issues a year, Milwaukee Labor Press; at least 10 issues a year, San Mateo (Calif.) County Labor; at least four issues a year, Ontario Labor.

Local union publications — 15,000 or more circulation, Utility Reporter, International Brotherhood of Electrical Workers Local 1245, Walnut Creek, Calif.; 7,500 to 15,000 circulation, the Oregon Public Employee, SEIU Local 503, Salem, Ore.; 2,500 to 7,500 circulation, the Washington Teacher, AFT Local 6, Washington, D.C.; under 2,500 circulation (except stencil), College Union Voice, AFT Local 1600, Chicago, Ill.; machine-duplicated publications, Action Bulletin, Greenburgh Teachers Federation AFT, Greenburgh, N.Y.

Regional publications—over 20,000 circulation, Bay State Employee, State, County & Municipal Employees Council 93, Boston, Mass.

Top winners in the labor history contest were:

Best story using history to explain current events, the Carpenter; Engineers News, Operating Engineers Local 3, San Francisco, and Public Employee Press, AFSCME District 37, New York, N.Y.

Best institutional profile: The Machinist, and Carpenters District Council Newsletter, Chicago, Ill.

Best human interest story: McLean County Union News, Bloomington, Ill.; Retail Reporter, Food & Commercial Workers Local 692, Baltimore, Md., and Public Employee Press.

Best use of art: American Teacher, AFT, and 1199 News, Retail, Wholesale & Dept. Store Union, District 1199, New York, N.Y.

Best labor history series: Service Employee, SEIU, and 1650 Newsletter, IAM Local 1650, Riverside, Mo.

Fanning retires after 25 years on NLRB

John H. Fanning, the senior member of the National Labor Relations Board, retired Dec. 16 after completing a record 25 years' service with the agency that administers basic federal labor law.

Fanning's tenure spanned more than half the board's existence. A Democrat, Fanning was nominated by Presidents Eisenhower, Kennedy, Johnson, Nixon, and Carter—two Republicans and three Democrats.

The departure of Chairman John R. Van de Water the following day leaves the board with only three members—Howard Jenkins, Don Zimmerman, and Robert Hunter—until nominations by President Reagan are acted on by the Senate.

Reagan has nominated Donald J. Dotson to succeed Van de Water as chairman. He has also announced his intention to nominate Patricia D. Dennis as a member.

Dotson's appointment is opposed by the AFL-CIO, which has questioned his suitability for the nomination. He was a management labor relations lawyer for several major companies before his appointment as Assistant Secretary of Labor for Labor-Management Relations at the start of the Reagan Administration.

Fanning, who is 66, spent 40 years with the federal government. He began his career as a lawyer with the Labor Dept., then became director of industrial relations for the Defense Dept.

In the Carter Administration, Fanning served as NLRB chairman from 1977-81. He also was acting chairman for a brief spell during the Ford Administration, serving from December 1974 to February 1975.

Role in 25,000 cases

During his 25-year career with the NLRB, Fanning helped decide some 25,000 cases involving unfair labor practices and employee representation elections. He filed approximately 2,000 dissents, and his dissenting position was adopted four times in NLRB cases reaching the Supreme Court.

Upon retiring, Fanning praised the 1935 National Labor Relations Act, which set up the NLRB, as a statute that works.

"It has promoted labor-management cooperation. It has generated industrial democracy, and as a result the nation has reaped a harvest of economic and social progress," he said.

Van de Water, a California Republican whose nomination as chairman of the NLRB never was confirmed by the Senate, left to take on the post of special assistant to the Secretary of Labor. He served the past 16 months under a recess appointment by President Reagan, an appointment opposed by the AFL-CIO because of his previous career as a management consultant to firms seeking to keep out unions.

Dotson, also a Republican, is a one-time NLRB attorney. His nomination is now before the Senate Labor & Human Resources Committee, where further hearings on his appointment have been put over to the new Congress convening in January. Dennis, a labor attorney for the American Broadcasting Company, is a Democrat.

Currently, the NLRB is without a chairman or an acting chairman. With the departure of Fanning, Republican Howard Jenkins becomes the senior member. He is in the last year of his fourth five-year term.

Next in terms of service length is Don Zimmerman, a political independent whose first five-year term will expire Dec. 16, 1984. Robert Hunter, a Republican, has until Aug. 27, 1985, remaining in his first term.

Schedule set for regional conferences

AFL-CIO President Lane Kirkland announced the schedule of 1983 regional conferences the federation will hold with state and local AFL-CIO council officers and other union officials.

In his announcement, Kirkland said the meetings would include "a full and free exchange of ideas" that would help strengthen links between AFL-CIO bodies.

The seven meetings will focus on programs and issues of foremost concern to the labor movement in the coming year. The first day of each conference will be for registration, with a day and a half of workshops to follow.

Meetings are scheduled for:

Mar. 21-23, Memphis, Tenn., to include Alabama, Florida, Georgia, North Carolina, South Carolina and Tennessee.

April 11-13, Albuquerque, N.M., to include Arizona, Colorado, New Mexico, Texas, Utah and Wyoming.

Apr. 13-15, Los Angeles, to include Alaska, California, Hawaii, Idaho, Nevada, Oregon and Washington.

Apr. 25-27, St. Paul, Minn., to include Illinois, Iowa, Michigan, Minnesota, Montana, North Dakota, South Dakota and Wisconsin.

Apr. 27-29, Niagara Falls, N.Y., to include Connecticut, Maine, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island and Vermont.

June 6-8, Cincinnati, to include Delaware, District of Columbia, Indiana, Kentucky, Maryland, Ohio, Virginia and West Virginia.

June 8-10, Kansas City, to include Arkansas, Kansas, Louisiana, Mississippi, Missouri, Nebraska and Oklahoma.

Highway, transit bill adds jobless benefits

Continued from page 1

plied Davis-Bacon wage protection to "initial construction," which over the years has been interpreted to include all major resurfacing, restoration and rehabilitation.

But the Federal Highway Administration has reinterpreted the language to mean that only entirely new construction should be covered by Davis-Bacon wage standards.

Both the House and Senate Public Works Committees wrote into the legislation acted on by Congress a Davis-Bacon clause that dropped the qualifying word "initial" before the word "construction," thus putting Congress clearly behind the union interpretation of the law.

Amendments to restore the phrase, "initial construction," were rejected by both the House and Senate.

'Color Me Union'

New training programs to encourage participation of women in their unions and sharpen leadership skills are introduced by Coalition of Labor Union Women President Joyce D. Miller at a conference for labor educators held by CLUW. The educators were asked to evaluate drafts of the two "Color Me Union" training models which have been developed as part of CLUW's Empowerment of Union Women Project. With Miller are Richard Hindle, president of the University & College Labor Education Association, and AFL-CIO Education Director Dorothy Shields.

Walesa vows peaceful path to restore union freedoms

Gdansk, Poland—Lech Walesa, the leader of the outlawed Solidarity trade union, vowed to work for the resurrection of Poland's independent labor movement "but only by peaceful means."

At a news conference for Western reporters, Walesa said, "We shall win for sure, but we must not fight. Such methods are not appropriate in the 20th Century, and I want the other side to understand this. It is time to use arguments and not force as an argument."

Walesa spoke to reporters in his Gdansk apartment 24 hours after police held him to keep him from speaking at a workers' rally outside the Lenin shipyard. The unauthorized demonstration marked the 12th anniversary of the deaths of Polish workers who were protesting rising food prices.

Meanwhile, the military regime of Gen. Wojciech Jaruzelski announced formally its intention to lift martial law on Jan. 1. But, as was evident in enabling legislation approved by the Polish parliament, life is not going to get any easier for the Poles. The legislation gives the government the right to reimpose martial law anywhere, anytime, and it transfers some key martial law practices to the penal code, thus making them permanent.

In a letter to the parliamentary leadership by its Council of Bishops and by the Primate, Archbishop Jozef Glemp, the Roman Catholic Church in Poland criticized the legislation for moving the country in the wrong direction. The government will not regain its credibility by sharpening "the rigors and repressive character of the regulations while at the same time proclaiming a relaxation," the bishops' letter observed.

At his meeting with reporters, Walesa said he was willing to work with the government if it agreed to demands in his Dec. 4 letter to Jaruzelski for amnesty for Solidarity members jailed or fired from their jobs, and a restoration of the principle of "trade union pluralism" embodied in the agreements that created Solidarity two years ago. Walesa said he had received "no reply whatsoever" from the regime, however.

Struggle hailed

In a message of encouragement to Walesa, AFL-CIO International Affairs Director Irving Brown hailed "the great struggle that you and your colleagues are carrying on for peace and freedom."

"All of us in the free labor world believe that you are contributing to what we hope will be better times for working people everywhere in this world struggle for peace and freedom," said Brown in a Voice of America radio broadcast beamed to Poland.

Teachers beat NEA in votes for 25,000

The American Federation of Teachers has turned back five head-to-head challenges by the unaffiliated National Education Association over the past month, reaffirming its right to represent more than 25,000 teachers in school districts in Texas, Ohio, Florida, Tennessee and New Jersey.

In Cincinnati, Miami, Carter County, Tenn., and Barnegat, N.J., locals of the AFT defeated NEA units in what AFT Organizing Director Phil Kugler characterized as "clearly attempts to raid our union."

In the AFT's Dec. 15 victory in Corpus Christi, Tex., teachers voted by a margin of 63 percent for AFT to act as their exclusive agent before the school board. Texas law does not permit full-scale bargaining by public employees, but school boards may "consult" with teachers' organizations to formulate policies setting wages and working conditions.

Joint sessions

Before the election, the school board had held joint consultations with the AFT, the NEA and another independent organization, the Association of Texas Professional Educators.

The final vote awarding exclusive rights was 902 for the AFT, 422 for the NEA, 88 for the ATPA and 31 for no agent.

AFT President Albert Shanker, in a statement hailing the union's victories, said they are an indication "that teachers around the nation want to stick with the organization that addresses not only their needs but speaks responsively on the pressing educational issues of the 1980s."

NEA spending

Kugler pointed out that in the election in Dade County, Fla., (the Miami area), the NEA said it spent nearly $3 million in the attempt to wrest the unit from the local union that has been affiliated with the AFT since 1974. The AFT beat back the NEA challenge by a vote of 7,648 to 3,203.

In Cincinnati, AFT defended its right to represent the city's educators by a margin of 1,821 to 809. The AFL-CIO union has bargained for the city's teachers since 1976.

The Teachers won the challenge in Carter County, Tenn., by a vote of 216 to 160 for the NEA unit, and in Barnegat, N.J., by a margin of 61 to 40.

All five of the elections were conducted under the jurisdiction of state or local authorities, Kugler said.

He pointed out that in each of the cities where the elections were held, the AFT locals are affiliated with the local central labor council.

Supporting Polish workers

Worker repression in Poland goes on, even as the communist authorities announce a relaxation in military rule. At a rally outside the Polish consulate in New York City sponsored by the Committee in Support of Solidarity and the State AFL-CIO, the names of 938 Polish workers known to have been sentenced or detained during the communist crackdown a year ago are read from a flatbed truck. In Minnesota, State AFL-CIO COPE Director Treva Kahl, left, looks on as a volunteer "adopts" a Pole jailed for union activities. The Minnesota AFL-CIO has already sponsored 13 Solidarity members.

Caucus shapes package

House rule changes sought by Democrats

Democrats will press for changes in House rules intended to curtail legislative restrictions on appropriations bills and will claim additional seats on most committees when the 98th Congress convenes in January.

A caucus open to the 255 House Democrats elected to the new Congress also voted to continue Thomas P. O'Neill, Jr. (Mass.) as Speaker of the House and re-elected Jim Wright (Tex.) as majority leader.

The House Republican caucus, diminished by the net loss of 12 seats in November's election, re-elected Robert H. Michel (Ill.) as minority leader and Trent Lott (Miss.) as minority whip, or assis-sistant leader.

New two-thirds rule

The package of rules changes adopted by the Democratic caucus included a proposal to require a petition signed by two-thirds of the House to bypass the Judiciary Committee and bring to the floor a proposed constitutional amendment.

Under present rules, it takes a simple majority of the House—218 of the 435 members—to discharge a committee and bring to the floor a measure that had been bottled up.

The proposed rules change, which would have to be voted on by the House, would continue the 218 signature requirement for legislation that requires only a simple majority to pass. But it would require 290 signatures to force out constitutional amendments, which require a two-thirds vote for passage.

Last fall, supporters of a proposed constitutional amendment to compel a balanced federal budget obtained the 218 signatures needed to take the Senate-passed constitutional proposal out of the Judiciary Committee. But the measure was defeated when the vote for passage was 46 short of the needed two-thirds majority.

The legislative rider restriction would make it more cumbersome to use an appropriations bill to change basic law, although it could still be done after a separate procedural vote. Supporters of the proposal contend that policy issues should be dealt with through amendments to authorization bills rather than appropriations.

Nonbinding support

Fifty Democrats opposed the legislative rider rules change in the caucus and 83 voted against the discharge petition change. Tradition dictates but does not compel Democrats to support such caucus decisions when the full House adopts its rules next January, so the outcome is not certain.

There are not likely to be Democratic defections from less controversial caucus recommendations to tighten the House rules against delaying tactics, such as requiring a rollcall vote on the routine approval of the previous day's official journal.

Democrats began but did not complete the task of revising committee ratios to reflect election gains. Caucus decisions increased the existing 33-22 Democratic edge on the Appropriations Committee to 36-21 and increased the party's 18-12 Budget Committee margin to 20-11.

Other changes in the makeup of House committees will be considered at the start of the new Congress.

Turncoat action

The caucus did vote to strip automatically the committee assignment of a House member who changes political parties. In the outgoing Congress, Eugene V. Atkinson of Pennsylvania was allowed to keep his Democratic committee slots after turning Republican, and Bob Stump of Arizona kept his committee posts while he was running for re-election as a Republican.

It put off until the new Congress a decision on whether to strip Phil Gramm (D-Tex.) of committee seniority because of his role as floor leader for the Reagan Administration's economic program.

Tribute to UAW chief

Human rights award of the Jewish Labor Committee's National Trade Union Council is accepted on behalf of Auto Workers President Douglas A. Fraser by UAW Vice President Owen Bieber, left. Making the presentation in New York with AFL-CIO President Lane Kirkland are JLC President Don Slaiman and Council Chairman Sol Hoffman, right.

Rights award cites Fraser as 'champion' of workers

New York—Douglas Fraser is "an eloquent champion of working people and their interests," AFL-CIO President Lane Kirkland declared at a banquet honoring the Auto Workers' president with the Labor Human Rights Award of the Jewish Labor Committee's National Trade Union Council.

The award was accepted by Owen Bieber, UAW vice president for General Motors, since Fraser was involved in negotiations in Toronto settling the strike against Chrysler Corp. by the union's Canadian members.

Kirkland stressed that it was under Fraser's leadership that the UAW reaffiliated with the AFL-CIO, "dramatically enhancing thereby the unity and strength of the entire labor movement."

He noted that in 1934, the same year the JLC was founded, Fraser became a shop steward in a DeSoto plant. Since that time, Kirkland said, "Doug and the JLC have remained steadfast in the eternal battle against every form of tyranny over the human mind and spirit—and especially every form of tyranny over working people and their free institutions."

Tyranny in Poland

A form of that tyranny is the "gloating" by the regime of Gen. Wojciech Jaruzelski over "what it takes to be its victory over the working class of Poland," Kirkland told the gathering of over 450 national and local trade union leaders.

He stressed that the AFL-CIO's position differs from those who would appease the military regime in Poland "with the bounties of a new round of detente in the hope of averting a new round of repression."

It's not news that a police state can crush a trade union by force, Kirkland said. But he averred that such a state can't erase the memory of "a taste of free association," or mobilize a resentful workforce.

He said the AFL-CIO will continue to support the workers of Poland and their union, Solidarity, "as they explore new tactics and strategies."

Mixed policies

The federation president also underscored the AFL-CIO's continuing support of Israel, and he criticized "those who would punish Israel" by withholding economic or military assistance. They should "save that kind of talk for Gen. Jaruzelski and his Soviet masters," Kirkland declared.

The same Administration that is lifting sanctions against the Siberian pipeline, refusing to halt the flow of credit to the Eastern bloc and "begging" the Soviet Union to buy more American grain is also ignoring massive unemployment and economic decline at home, Kirkland charged.

Rather than "stay the course," the message of the November elections was to change the course, he said.

Fraser's acceptance remarks, delivered by Bieber, pointed out that when President Reagan was advised of the record high unemployment figures released earlier this month, he "ritually deplored the situation but said that his Administration had 'laid the foundation' for putting people back to work."

Bieber questioned whether the "foundation" President Reagan is digging "is about six feet deep, six feet long and two feet wide."

Wrong remedy

He was sharply critical of suggestions that skilled workers migrate from states like Michigan with high jobless rates to other areas.

"America needs light rail mass transit systems and needs to continue to supply mining, oil-drilling and petroleum processing industries worldwide," Bieber said, adding that "the tools and the factory space and the skilled people to make all of these things—and make them competitively—are available right now in Detroit, in Cleveland, in Pittsburgh and in Buffalo."

Fraser, who will retire when his term ends next May, is likely to be succeeded by Bieber who has been recommended for election to the office by the union's executive board and a steering committee of local union officials.

Marine Optical boycott ends as IUE local gains new pact

Brockton, Mass.—The Electrical, Radio & Machine Workers have ended the three-year-old boycott of Marine Optical, Inc., following the signing of a new collective bargaining agreement with the company.

IUE President William H. Bywater notified the AFL-CIO Union Label & Service Trades Dept. that the boycott is "officially lifted" and that the dispute with the company that had tried to run away from a 25-year bargaining relationship with the union was "resolved" when the two sides signed a new three-year agreement earlier this month.

Runaway move

The AFL-CIO had backed IUE's "do not buy" campaign against Marine Optical which was touched off in the fall of 1979 when the company closed its Roslindale plant and reopened 17 miles away in Brockton, repudiating its contract with IUE Local 408. The union said only 26 of the 70 Roslindale workers were hired in Brockton and that the company was paying only minimum wages and benefits determined without consulting the union, even though the contract was still in effect.

Local 408, which had represented the Roslindale workers since 1954, filed unfair labor practices charges with the Boston office of the National Labor Relations Board which issued a complaint.

The NLRB in May 1980 upheld the charges and ordered Marine Optical to revoke the unilateral changes, begin bargaining with the union and reimburse any affected workers for lost wages and benefits.

Court appeals by the company to set aside the NLRB decision were rejected, but the firm still refused to comply with the NLRB order. Marine Optical finally agreed to abide by the rulings when the board threatened to seek a contempt citation.

The company began making payments to the welfare and pension funds last January and negotiations for a new contract also began at that time, IUE said. After nearly a year of on and off talks, agreement was reached this month on a new three-year contract.

The terms include settlement of back pay and benefits due to affected employees, guarantee of seniority rights, dues check off and a union shop clause.

The end of the dispute lifts the boycott against these brand names marketed by the eyeglass frame manufacturer: Bonjour, Givenchy, Voila, Vera, Aviance, Nefertite, Wings, and Cotton Candy.

Unions giving Meany book to schools

Union organizations in Chicago and Wichita, Kan., could be setting a trend in helping teachers and students expand their knowledge of labor history.

In Chicago, International Brotherhood of Electrical Workers Local 165 has donated copies of the book "George Meany and His Times," by labor journalist Archie Robinson, to the libraries of each of the city's nine community colleges, its 69 public high schools and trade schools and a number of parochial high schools.

The Wichita Labor Federation presented copies of the biography of the late AFL-CIO president to the city school board for the libraries of Wichita's secondary schools.

Both organizations bought the books through the AFL-CIO at discounts off the publisher's list price. Copies of the 445-page book are available from AFL-CIO Books, P.O. Box 37473, Washington, D.C. 20013. Prices, including postage, are $12.50 each for one to five copies, $11.50 each for six to 25 copies, and $10.50 each for 26 or more copies.

House rollcalls on trade, job issues

Both of these House rollcalls were on trade issues affecting U.S. jobs.

Column I *shows the 215-188 vote on Dec. 15 for the labor-supported bill setting domestic content requirements for autos sold in large quantities in the United States. Right votes (R) for the bill were cast by 171 Democrats and 44 Republicans. Voting wrong (W) were 58 Democrats and 130 Republicans.*

Column II *is the Dec. 17 260-142 vote for job-destroying import provisions of President Reagan's Caribbean Basin Initiative. Voting right, against the bill, were 127 Democrats and 15 Republicans. Wrong votes were cast by 98 Democrats and 162 Republicans.*

Numerals show congressional districts. A—absent; PR—paired right; PW—paired wrong.

	I	II
ALABAMA		
1. Edwards (R)	W	W
2. Dickinson (R)	W	W
3. Nichols (D)	R	R
4. Bevill (D)	R	R
5. Flippo (D)	R	W
6. Smith (R)	R	W
7. Shelby (D)	R	R
ALASKA		
AL Young (R)	A	W
ARIZONA		
1. Rhodes (R)	A	A
2. Udall (D)	R	W
3. Stump (D)	W	W
4. Rudd (R)	W	A
ARKANSAS		
1. Alexander (D)	PR	R
2. Bethune (R)	W	W
3. Hammerschmidt (R)	W	W
4. Anthony (D)	W	W
CALIFORNIA		
1. Chappie (R)	W	W
2. Clausen (R)	PW	W
3. Matsui (D)	R	R
4. Fazio (D)	R	R
5. Burton, John (D)	PR	R
6. Burton, Phillip (D)	R	R
7. Miller (D)	R	R
8. Dellums (D)	R	R
9. Stark (D)	R	R
10. Edwards (D)	R	R
11. Lantos (D)	R	R
12. McCloskey (R)	W	W
13. Mineta (D)	R	R
14. Shumway (R)	W	W
15. Coelho (D)	R	R
16. Panetta (D)	W	R
17. Pashayan (R)	W	R
18. Thomas (R)	W	W
19. Lagomarsino (R)	W	W
20. Goldwater (R)	A	A
21. Fiedler (R)	W	W
22. Moorhead (R)	W	W
23. Beilenson (D)	W	W
24. Waxman (D)	W	W
25. Roybal (D)	R	R
26. Rousselot (R)	W	A
27. Dornan (R)	W	W
28. Dixon (D)	R	R
29. Hawkins (D)	R	R
30. Martinez (D)	R	R
31. Dymally (D)	R	A
32. Anderson (D)	W	R
33. Grisham (R)	W	W
34. Lungren (R)	W	W
35. Dreier (R)	W	W
36. Brown (D)	A	W
37. Lewis (R)	W	W
38. Patterson (D)	R	W
39. Dannemeyer (R)	W	W
40. Badham (R)	PW	W
41. Lowery (R)	W	W
42. Hunter (R)	R	W
43. Burgener (R)	W	W
COLORADO		
1. Schroeder (D)	A	R
2. Wirth (D)	R	W
3. Kogovsek (D)	R	R
4. Brown (R)	W	W
5. Kramer (R)	W	W
CONNECTICUT		
1. Kennelly (D)	R	W
2. Gejdenson (D)	R	W
3. DeNardis (R)	W	A
4. McKinney (R)	R	W
5. Ratchford (D)	R	A
6. Moffett (D)	R	A
DELAWARE		
AL Evans (R)	W	W
FLORIDA		
1. Hutto (D)	W	W
2. Fuqua (D)	W	A
3. Bennett (D)	W	W
4. Chappell (D)	W	W
5. McCollum (R)	W	W
6. Young (R)	W	W
7. Gibbons (D)	W	W
8. Ireland (D)	W	W
9. Nelson (D)	W	W
10. Bafalis (R)	W	W
11. Mica (D)	R	W
12. Shaw (R)	W	W
13. Lehman (D)	A	A
14. Pepper (D)	R	R
15. Fascell (D)	R	W
GEORGIA		
1. Ginn (D)	R	W
2. Hatcher (D)	R	W
3. Brinkley (D)	W	W
4. Levitas (D)	R	W
5. Fowler (D)	R	W
6. Gingrich (R)	R	W
7. McDonald (D)	W	W
8. Evans (D)	W	W
9. Jenkins (D)	R	W
10. Barnard (D)	W	W
HAWAII		
1. Heftel (D)	R	R
2. Akaka (D)	R	R
IDAHO		
1. Craig (R)	W	W
2. Hansen (R)	W	W
ILLINOIS		
1. Washington (D)	R	R
2. Savage (D)	R	R
3. Russo (D)	R	W
4. Derwinski (R)	W	W
5. Fary (D)	R	W
6. Hyde (R)	W	W
7. Collins (D)	R	R
8. Rostenkowski (D)	W	W
9. Yates (D)	A	R
10. Porter (R)	W	W
11. Annunzio (D)	R	W
12. Crane, Philip (R)	W	W
13. McClory (R)	W	W
14. Erlenborn (R)	W	W
15. Corcoran (R)	W	W
16. Martin (R)	R	R
17. O'Brien (R)	R	W
18. Michel (R)	W	W
19. Railsback (R)	R	W
20. Findley (R)	A	A
21. Madigan (R)	R	W
22. Crane, Dan (R)	W	W
23. Price (D)	R	W
24. Simon (D)	R	W
INDIANA		
1. Hall (D)	R	R
2. Fithian (D)	R	R
3. Hiler (R)	W	W
4. Coats (R)	W	W
5. Hillis (R)	R	W
6. Evans (D)	R	R
7. Myers (R)	W	W
8. Deckard (R)	W	W
9. Hamilton (D)	R	W
10. Sharp (D)	R	R
11. Jacobs (D)	R	W
IOWA		
1. Leach (R)	R	W
2. Tauke (R)	PW	W
3. Evans (R)	W	W
4. Smith (D)	W	W
5. Harkin (D)	R	R
6. Bedell (D)	W	W
KANSAS		
1. Roberts (R)	W	W
2. Jeffries (R)	W	W
3. Winn (R)	W	PW
4. Glickman (D)	W	R
5. Whittaker (R)	W	W
KENTUCKY		
1. Hubbard (D)	R	W
2. Natcher (D)	R	R
3. Mazzoli (D)	R	W
4. Snyder (R)	R	R
5. Rogers (R)	R	R
6. Hopkins (R)	R	R
7. Perkins (D)	R	R
LOUISIANA		
1. Livingston (R)	W	W
2. Boggs (D)	R	W
3. Tauzin (D)	R	W
4. Roemer (D)	R	W
5. Huckaby (D)	W	W
6. Moore (R)	W	W
7. Breaux (D)	W	W
8. Long (D)	R	R
MAINE		
1. Emery (R)	A	W
2. Snowe (R)	W	W
MARYLAND		
1. Dyson (D)	R	R
2. Long (D)	R	W
3. Mikulski (D)	R	R
4. Holt (R)	W	W
5. Hoyer (D)	R	W
6. Byron (D)	W	W
7. Mitchell (D)	R	R
8. Barnes (D)	R	W
MASSACHUSETTS		
1. Conte (R)	R	W
2. Boland (D)	R	R
3. Early (D)	R	R
4. Frank (D)	R	R
5. Shannon (D)	R	R
6. Mavroules (D)	R	R
7. Markey (D)	R	R
8. O'Neill (D)	Speaker	
9. Moakley (D)	R	R
10. Heckler (R)	A	W
11. Donnelly (D)	W	R
12. Studds (D)	R	W
MICHIGAN		
1. Conyers (D)	R	R
2. Pursell (R)	A	W
3. Wolpe (D)	R	R
4. Siljander (R)	R	W
5. Sawyer (R)	W	W
6. Dunn (R)	R	R
7. Kildee (D)	R	R
8. Traxler (D)	R	R
9. Vander Jagt (R)	W	W
10. Albosta (D)	R	R
11. Davis (R)	R	R
12. Bonior (D)	R	R
13. Crockett (D)	R	R
14. Hertel (D)	R	R
15. Ford (D)	R	R
16. Dingell (D)	R	R
17. Brodhead (D)	R	R
18. Blanchard (D)	PR	A
19. Broomfield (R)	R	W
MINNESOTA		
1. Erdahl (R)	W	W
2. Hagedorn (R)	A	A
3. Frenzel (R)	W	W
4. Vento (D)	R	R
5. Sabo (D)	R	W
6. Weber (R)	W	W
7. Stangeland (R)	W	W
8. Oberstar (D)	R	R
MISSISSIPPI		
1. Whitten (D)	R	R
2. Bowen (D)	W	W
3. Montgomery (D)	W	W
4. Dowdy (D)	R	R
5. Lott (R)	W	W
MISSOURI		
1. Clay (D)	R	R
2. Young (D)	R	R
3. Gephardt (D)	R	W
4. Skelton (D)	R	R
5. Bolling (D)	A	A
6. Coleman (R)	R	W
7. Taylor (R)	W	W
8. Bailey (R)	W	W
9. Volkmer (D)	R	R
10. Emerson (R)	W	W
MONTANA		
1. Williams (D)	R	R
2. Marlenee (R)	W	R
NEBRASKA		
1. Bereuter (R)	W	W
2. Daub (R)	W	W
3. Smith (R)	W	W
NEVADA		
AL Santini (D)	W	A
NEW HAMPSHIRE		
1. D'Amours (D)	A	R
2. Gregg (R)	W	W
NEW JERSEY		
1. Florio (D)	R	R
2. Hughes (D)	R	R
3. Howard (D)	R	R
4. Smith (R)	R	W
5. Fenwick (R)	W	W
6. Forsythe (R)	A	W
7. Roukema (R)	W	W
8. Roe (D)	R	W
9. Hollenbeck (R)	R	W
10. Rodino (D)	R	R
11. Minish (D)	R	R
12. Rinaldo (R)	R	R
13. Courter (R)	W	W
14. Guarini (D)	R	R
15. Dwyer (D)	R	W
NEW MEXICO		
1. Lujan (R)	W	W
2. Skeen (R)	W	W
NEW YORK		
1. Carney (R)	W	W
2. Downey (D)	R	W
3. Carman (R)	W	W
4. Lent (R)	W	W
5. McGrath (R)	W	W
6. LeBoutillier (R)	A	W
7. Addabbo (D)	R	W
8. Rosenthal (D)	R	W
9. Ferraro (D)	R	R
10. Biaggi (D)	R	W
11. Scheuer (D)	R	W
12. Chisholm (D)	R	W
13. Solarz (D)	R	W
14. Vacancy		
15. Zeferetti (D)	A	A
16. Schumer (D)	R	R
17. Molinari (R)	W	W
18. Green (R)	W	W
19. Rangel (D)	R	W
20. Weiss (D)	R	W
21. Garcia (D)	R	W
22. Bingham (D)	W	W
23. Peyser (D)	R	R
24. Ottinger (D)	R	W
25. Fish (R)	R	W
26. Gilman (R)	R	W
27. McHugh (D)	W	R
28. Stratton (D)	R	W
29. Solomon (R)	R	W
30. Martin (R)	W	W
31. Mitchell (R)	W	W
32. Wortley (R)	R	W
33. Lee (R)	R	W
34. Horton (R)	R	PW
35. Conable (R)	W	W
36. LaFalce (D)	R	W
37. Nowak (D)	R	R
38. Kemp (R)	W	W
39. Lundine (D)	R	R
NORTH CAROLINA		
1. Jones (D)	R	W
2. Fountain (D)	W	R
3. Whitley (D)	W	R
4. Andrews (D)	W	W
5. Neal (D)	W	R
6. Johnston (R)	W	A
7. Rose (D)	R	W
8. Hefner (D)	W	R
9. Martin (R)	W	W
10. Broyhill (R)	W	W
11. Hendon (R)	W	W
NORTH DAKOTA		
AL Dorgan (D)	R	W
OHIO		
1. Gradison (R)	W	W
2. Luken (D)	R	A
3. Hall (D)	R	R
4. Oxley (R)	W	W
5. Latta (R)	R	W
6. McEwen (R)	R	W
7. Brown (R)	A	W
8. Kindness (R)	R	W
9. Weber (R)	W	W
10. Miller (R)	R	R
11. Stanton (R)	W	A
12. Shamansky (D)	R	R
13. Pease (D)	R	R
14. Seiberling (D)	R	R
15. Wylie (R)	R	W
16. Regula (R)	R	W
17. Ashbrook (R)	W	W
18. Applegate (D)	R	R
19. Williams (R)	R	R
20. Oakar (D)	R	R
21. Stokes (D)	PR	R
22. Eckart (D)	R	R
23. Mottl (D)	R	R
OKLAHOMA		
1. Jones (D)	W	R
2. Synar (D)	W	W
3. Watkins (D)	R	R
4. McCurdy (D)	R	W
5. Edwards (R)	W	W
6. English (D)	R	W
OREGON		
1. AuCoin (D)	W	R
2. Smith (R)	W	W
3. Wyden (D)	W	R
4. Weaver (D)	R	R
PENNSYLVANIA		
1. Foglietta (D)	R	R
2. Gray (D)	R	R
3. Smith (D)	R	A
4. Dougherty (R)	R	W
5. Schulze (R)	A	A
6. Yatron (D)	R	W
7. Edgar (D)	R	R
8. Coyne, James (R)	A	W
9. Shuster (R)	A	A
10. McDade (R)	R	W
11. Nelligan (R)	R	W
12. Murtha (D)	R	R
13. Coughlin (R)	R	W
14. Coyne, William (D)	R	W
15. Ritter (R)	R	W
16. Walker (R)	W	R
17. Ertel (D)	R	A
18. Walgren (D)	R	R
19. Goodling (R)	R	W
20. Gaydos (D)	R	R
21. Bailey (D)	R	R
22. Murphy (D)	R	R
23. Clinger (R)	W	W
24. Marks (R)	R	A
25. Atkinson (R)	W	W
RHODE ISLAND		
1. St Germain (D)	R	R
2. Schneider (R)	R	W
SOUTH CAROLINA		
1. Hartnett (R)	W	W
2. Spence (R)	W	W
3. Derrick (D)	W	R
4. Campbell (R)	W	W
5. Holland (D)	W	A
6. Napier (R)	W	R
SOUTH DAKOTA		
1. Daschle (D)	A	R
2. Roberts (R)	W	A
TENNESSEE		
1. Quillen (R)	W	W
2. Duncan (R)	W	R
3. Bouquard (D)	W	R
4. Gore (D)	W	R
5. Boner (D)	R	R
6. Beard (R)	PW	W
7. Jones (D)	R	R
8. Ford (D)	R	R
TEXAS		
1. Hall, Sam (D)	R	W
2. Wilson (D)	R	W
3. Collins (R)	W	W
4. Hall, Ralph (D)	R	R
5. Mattox (D)	R	R
6. Gramm (D)	W	W
7. Archer (R)	W	W
8. Fields (R)	W	W
9. Brooks (D)	R	W
10. Pickle (D)	W	W
11. Leath (D)	W	W
12. Wright (D)	R	W
13. Hightower (D)	W	W
14. Patman (D)	W	R
15. de la Garza (D)	W	W
16. White (D)	W	W
17. Stenholm (D)	W	W
18. Leland (D)	R	R
19. Hance (D)	W	W
20. Gonzalez (D)	R	R
21. Loeffler (R)	W	W
22. Paul (R)	W	R
23. Kazen (D)	W	W
24. Frost (D)	R	R
UTAH		
1. Hansen (R)	W	W
2. Marriott (R)	W	W
VERMONT		
AL Jeffords (R)	W	W
VIRGINIA		
1. Trible (R)	W	W
2. Whitehurst (R)	W	W
3. Bliley (R)	W	W
4. Daniel, Robert (R)	W	W
5. Daniel, Dan (D)	W	W
6. Butler (R)	W	W
7. Robinson (R)	W	W
8. Parris (R)	W	W
9. Wampler (R)	W	W
10. Wolf (R)	W	W
WASHINGTON		
1. Pritchard (R)	W	W
2. Swift (D)	R	R
3. Bonker (D)	W	W
4. Morrison (R)	W	W
5. Foley (D)	W	A
6. Dicks (D)	R	W
7. Lowry (D)	W	R
WEST VIRGINIA		
1. Mollohan (D)	R	PR
2. Benedict (R)	W	W
3. Staton (R)	W	W
4. Rahall (D)	R	PR
WISCONSIN		
1. Aspin (D)	R	W
2. Kastenmeier (D)	R	R
3. Gunderson (R)	W	W
4. Zablocki (D)	R	W
5. Reuss (D)	W	W
6. Petri (R)	W	W
7. Obey (D)	R	R
8. Roth (R)	R	W
9. Sensenbrenner (R)	W	W
WYOMING		
AL Cheney (R)	W	W

EDITORIALS

Flight of the Lame Ducks

IT IS A temptation, in the windup of a generally disappointing Congress, to summon up the words with which Oliver Cromwell dismissed Parliament in the year 1654.

"It is not fit that you sit here any longer," the lord protector of England chided. "You shall now give place to better men."

And indeed, the 98th Congress that takes office in January should be an improvement over its predecessors. So the election returns would indicate.

The improvement, though, is a matter of degree.

The new House of Representatives, surely, will not rubber stamp presidential policies that worsen unemployment, penalize recession's victims and reward the wealthy. And senators, of whatever party, surely have been chastened by the hardships inflicted on their constituents.

But we have been reminded in this lame-duck session what a barrier to progress an uncompromising White House can be.

EVEN THE dismally inadequate jobs measure approved by the Republican-controlled Senate was too much for President Reagan. He would accept no part of any jobs bill, even if it meant bringing the government to a halt through the veto of an appropriations resolution.

In the apt words of Rep. Henry Reuss (D-Wis.), "The President and Congress gazed eyeball to eyeball, and Congress blinked."

The House and Senate conferees who dropped all jobs funds from the final appropriations resolution then expressed a pious hope that Mr. Reagan will include a new jobs program in the budget request he submits to the next Congress.

Well, it certainly would be nice if the President were to do so. But it would be even nicer if the 98th Congress makes clear from the start that legislative authority is a two-way street.

WHEN PRESSED hard enough, even Mr. Reagan has shown an occasional willingness to compromise. Thus, a mild tax reform measure that the President initially opposed as a tax increase became acceptable when he was able to view it as "revenue enhancement." And the highway bill that was first pressed as a source of needed jobs escaped presidential disapproval because the White House decided it wasn't really a "jobs bill" because jobs were just an incidental byproduct of repairing highways and bridges.

Even with the best will, the time pressures and procedural obstacles of the post-election session stacked the odds against enactment of a comprehensive program to deal with an increasingly grim recession.

But there will be no such excuses after Jan. 3.

365 Days a Year

AT CHRISTMAS, under the exuberant giving, the donations to the food basket drive, to the sidewalk Santa or the toys for tots campaign, we often feel a guilty pinprick of sadness in the consciousness that the real world is anything but a Norman Rockwell Christmas card.

All that millions of jobless Americans wanted for Christmas this year was the simple dignity of a job, but most of them did not get one.

Throughout the world, too many people this Christmas are hungry and homeless. And in this season of peace on earth, we look around and see the horrors of war and the violence of terrorism.

But it's the easy way out to wallow in cynicism. Sneering about how the "Christmas spirit" doesn't last all year long is a cheap shot.

THE LABOR movement and all the great social and human rights movements of this nation take the harder but ultimately productive course, that is, to look at the world the way it really is and to do something about it.

Labor's goals encompass human dignity on and off the job, decent housing, the opportunity for a good education and for useful work. They embrace especially the Christmas message of peace and good will.

'Give Him the Hook!'

Washington Window

Reforms long overdue in U.S. immigration policy

By Press Associates, Inc.

The difficult problem of immigration reform has become one of the nation's priorities and it would seem helpful to separate some of the myths and the facts.

At a time when record numbers of Americans are out of work, it is important to examine the impact of illegal migration on jobs of U.S. citizens, wages, labor standards, and the immigrant workers themselves.

No one knows how many illegal aliens live and work here. The Census Bureau has estimated up to 6 million; others would put it higher. What is known is that the number has been increasing steadily over the years and that it is likely to increase even faster because of worsening economic conditions in the less developed nations to the south.

Some have claimed that the presence of large numbers of illegals has little or no effect on the job market. Americans don't want the kind of dirty, low-pay jobs held by immigrants, it is said.

But experts at a recent Capitol Hill seminar said their research showed that for every 100 illegal aliens working in non-agricultural jobs, 70 Americans are not working.

Employer exploitation

Some newspaper-run surveys showing little job displacement by aliens have relied too much on what employers say, the experts charged.

Many employers prefer to hire undocumented aliens instead of American workers because they're vulnerable, docile and cheaper.

Many employers in low-wage industries "attempt to justify the employment of illegal aliens by claiming that citizen workers cannot be found to do the work," said Vernon Briggs, a Cornell University professor of industrial relations.

Briggs added that the presence of foreign workers largely explains "why certain industries remain low-wage industries over time." American workers in these low-wage industries, often minorities and women, are the ones most adversely affected by illegals in the workforce, the experts agreed.

But contrary to popular belief, many illegals also work in good-paying jobs in manufacturing and construction, they said. Here too, they may be "preferred workers" since they are less likely to join unions, to complain about denial of equal opportunity, or seek improvements.

Jacob Sheinkman, secretary-treasurer of the Clothing & Textile Workers, recently conducted a survey of union officers around the country on "what, if any, effects illegal aliens were having on jobs in their localities and how serious they thought the problem was."

U.S. workers hurt

The results of the survey are "disturbing," Sheinkman said. "From one end of the country to another local trade union leaders report that illegal immigrants are taking jobs away from American workers, depressing wages and working conditions, and are even being used to break strikes and to undermine union organizing activities."

Briggs said that "in the long run, we'll pay a heavy price for the growing subclass in our society of those who are denied social welfare benefits, who can't vote, who are docile, and who fear a knock at the door in the night."

The price, of course, also is paid by those who must live in fear and whose labor is exploited.

Another price is misdirected and potentially dangerous anti-foreign sentiments among citizens.

It should be hoped that America will finally resolve this problem in a humane and democratic way. The jobs and standards of citizens must be protected. There should be amnesty for those who qualify for citizenship and there must be effective penalties against unscrupulous employers.

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Fire fighters still highest in job deaths

Fighting fires continues to be the most dangerous occupation of all, the annual death and injury survey by the International Association of Fire Fighters shows.

Data compiled in 1981 by local fire departments showed an on-the-job death rate of 58 per 100,000 fire fighters, the IAFF reported.

The annual study, covering more than 125,250 professional fire fighters, also found that in 1981 some 45 percent of those workers—more than 55,000—suffered injuries on the job.

Labor Dept. statistics show mining and quarrying to be the next most hazardous occupation with a rate of 55 deaths per 100,000. Police work showed a death rate of 23 per 100,000, and the average for all industries was 12 per 100,000 workers in 1981.

In the year surveyed, 73 fire fighters died in the line of duty and 99 died from occupation-related diseases. Figures for 1980, the union said, showed 63 deaths in the line of duty and 98 from diseases. About 44,000 fire fighters sustained on-the-job injuries that year.

Improvements pressed

IAFF President John A. Gannon said the statistics underscore the need for "proper manning, protective equipment and working conditions" for fire fighters throughout the nation.

Gannon called for more research and development of personal protective gear and related equipment and said the survey findings reinforce the need for adequate numbers of fire fighters.

The survey found that in 1981, 404 fire fighters were forced to retire or change jobs because of work-related illness which in about 70 percent of the cases was heart disease.

Injuries forced another 578 to leave their jobs, up from 293 injury-related retirements in 1980.

Nearly 44 percent of the line-of-duty deaths were from heart attacks, the union said. Building collapses and apparatus accidents, each accounting for 11 percent of the deaths, were the next most common causes while just over eight percent were from inhalation of hazardous smoke or gases.

Of fire fighters whose deaths were linked to work-related illnesses, 60 percent succumbed to heart disease, 33 percent to cancer and 4 percent to lung disease.

The survey also estimated that lost time and hospitalization costs from work-related injuries totaled over $76 million in 1981.

Jerry Knackert of Allied Industrial Workers pleads case before International Trade Commission in efforts to save jobs at Harley-Davidson plants.

Import curb urged to save last U.S.-made motorcycle

Unless import relief is granted, the last remaining American motorcycle maker will be run out of business, union witnesses warned at International Trade Commission hearings.

They told the ITC that favorable action on Harley-Davidson's petition for tariffs and import restraints is essential to the company's survival and the jobs of members of the Allied Industrial Workers and the Machinists.

Harley is struggling to hang on to even a fraction of the U.S. market for heavyweight motorcycles — units with engine displacement of more than 700 cubic centimeters. It gave up on lighter models years ago because of the import onslaught.

The unrestrained flow of imports has slashed Harley's share of the heavyweight U.S. market to 13 percent, AFL-CIO Research Director Rudy Oswald noted in a letter to the ITC supporting the Harley petition.

Japanese domination

Motorcycles imported from Japan, as well as those assembled in the United States with Japanese-made components, now account for 85 percent of domestic sales, according to industry statistics. Imports from other countries take less than 2 percent of the U.S. market.

As a result of the import surge, Oswald observed, "U.S. jobs have been a principal loss." He noted that 837 IAM members were laid off at Harley's parts and assembly plant in York, Pa., and 769 IAM members lost jobs at the company's plant in Milwaukee. Another 700 workers also have been on layoff during temporary plant closings, he wrote the commission.

"There is serious injury," Oswald stressed. "Further serious damage will occur if nothing is done."

The House-passed domestic content legislation, which would require a certain portion of autos and trucks sold in this country to have U.S.-made parts, does not extend to motorcycles.

Jerry Knackert, president of AIW Local 209, told the commission that imports have devastated the workforce at the Harley plant in Milwaukee. More than 500 of the local's nearly 1,000 members have lost their jobs since June 1981, he testified.

Layoffs mount

"Many of these laid-off employees are experienced workers who have been with Harley-Davidson all their working lives," Knackert said. "Indeed, the layoffs are now reaching people with as much as 12½ years seniority."

Knackert added a grim footnote: "Not a single employee who has been laid off in the last year has found other employment."

The unemployment rate in the Milwaukee area is over 13 percent.

Attesting to that was Glover Morgan, who had been with the company for 11 years before his job was eliminated last May.

"I've tried everything I can think of to get other work, but there just isn't any," Morgan told the commission.

"None of the plants around Milwaukee that could use my skills are hiring," he testified. "When I try to get a job for lower pay—working in a fast-food restaurant or grocery store—they won't hire me because I'm overqualified."

Relations strained

Knackert also noted that import-induced problems have strained the long-standing cooperative relations between the union and the company. Stampeded into cost-cutting measures, he said Harley resorted to contracting out work to a non-union firm. That action violates the provisions of the existing AIW agreement with Harley, Knackert said.

"The only reason we avoided a wildcat strike is that the workers understood that the company was facing financial collapse due to the imports," Knackert testified.

Representatives of Japanese motorcycle firms—Honda, Kawasaki, Suzuki and Yamaha—contended at the ITC hearings that Harley is being hurt more by the recession than by imports. They also argued that Honda and Kawasaki should be considered domestic manufacturers because of their assembly plants in Ohio and Nebraska.

But AIW President Dominick D'Ambrosio pointed out in a letter to the ITC supporting the Harley petition that those plants merely assemble components imported from Japan.

Drop in workers' real wages dampens Christmas shopping

Continued from Page 1

sale prices continued above average in November, rising another six-tenths of 1 percent over the month. The agency attributed much of the increase to higher energy costs. Wholesale prices, or what BLS calls producer prices for finished goods, rose five-tenths 1 percent in October.

While the White House claimed credit for the November moderation in consumer prices, many analysts tied the deceleration in prices increases to the depressed economy, the world oil glut, and bountiful harvests that have dampened food prices.

Aside from housing, there were declines in clothing prices in November. Entertainment stayed at October's level, and food prices increased by one-tenth of 1 percent, BLS said. Two other major categories of prices measured by the bureau rose sharply, medical care and a miscellaneous category of goods and services. There were also higher prices for fuel oil and natural gas prices.

Before adjustment for seasonal fluctuations in prices, the CPI was 293.2 percent of its 1967 base, which means that goods and services that cost $100 in 1967 cost $293.20 in November.

While the housing component of the index fell two-tenths of 1 percent over the month, mainly due to declines in mortgage interest rates, BLS noted a slight rise in house prices.

Christmas shoppers found that toys, sporting goods, hobby products, and other entertainment items were cheaper in November, balanced by increases in entertainment services.

The increase of one-tenth of 1 percent in food and beverage prices reflected a drop in grocery store prices, offset by rises in the cost of restaurant meals and alcoholic beverages.

Pork prices were down a sharp 1.3 percent, following increases earlier in the year with poultry, fish and eggs also getting less expensive. Beef prices were up moderately.

New car prices were down half a percentage point, and there was a large 3.4-percent drop in auto financing charges, especially on leftover 1982 models.

Reagan's veto threat scuttles jobs program

Continued from Page 1

but union lobbyists worked successfully to keep it out of the bill that went to the President.

The Administration was thwarted when it could not get the labor-opposed Caribbean Basin Initiative through the Senate, and when Congress ignored the President's controversial proposal to use tax benefits and exemption from government regulations to lure employers to inner-city "urban enterprise zones."

The House struggled to muster a majority for an immigration reform bill, but in the end was unable to come up with a formula that met the sometimes conflicting concerns of all interested groups.

A labor-supported housing bill died with adjournment, but Congress did complete action on a non-controversial farm labor contract law that includes stronger protections for migrant workers. It was backed by such diverse interests as the Administration and the AFL-CIO, the Farm Bureau Federation and the United Farm Workers.

A Senate-passed regulatory reform bill that the AFL-CIO said could hamper federal agencies in enforcing laws died in the Senate, and a bankruptcy bill that would have made it harder for individuals hit by unemployment to get out of debt failed to clear Congress.

Other bills die

Another bill that didn't make it was a trade reciprocity measure that labor viewed as a potential threat to U.S. jobs.

But also scuttled by adjournment was a Senate-passed bill the AFL-CIO supported to toughen penalties for union officials who betray their trust. And a carefully-drafted revision of the Longshoremen's & Harbor Workers' Compensation Act didn't make it to enactment.

Congress did reach a resolution of sorts on a pay raise for House and Senate members—and for government executives whose pay has been held down by the congressional ceiling.

House members will get a 15 percent raise—the first substantive increase in many years. Senators won't get a raise—by that body's own decision. But they will be able to earn an unlimited amount from speaking fees and other private earnings while House members can't take in more than 30 percent of their congressional pay.

Oil Workers win pact in 11-month Petrofina walkout

Port Arthur, Tex.—Oil, Chemical & Atomic Workers reached agreement on a new contract to settle an 11-month strike here against American Petrofina Co. and its subsidiary, Amdel Pipeline Co.

More than 400 union members will be back on the job by Dec. 27, ending a dispute that began last Jan. 8 when their contracts expired and the company rebuffed a request by the Federal Mediation & Conciliation Service to extend the terms while bargaining continued.

In the contract, which runs to July 1, 1985, a key issue was settled when American Petrofina agreed to meet the industry pattern for wages and benefits.

OCAW and the company also agreed to changes in certain work practices, including flexibility in crafts within the plant, staff size in operating units, and a restriction on the time that must elapse between workers' bids on different jobs.

The next issue of the AFL-CIO News will be published on Jan. 8, 1983, because of holiday schedules.

The staff of the AFL-CIO News wishes all readers a Happy New Year.